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SELA REGIONAL DIRECTOR ON U.S. 'PROTECTIONISM'

PA211522 Caracas Television Service in Spanish 0000 GMT 21 Aug 86

[Text] The SELA regional coordination director, Miguel Rodriguez Mendoza, has reported on Latin American countries' trade relations with the United States emphasizing Latin America's dependency, the increase of U.S. protectionism, and the permanent confrontation between the northern power and the developing countries.

In order to confront this disadvantageous situation that affects Latin American exports, SELA proposes maintaining a systematic follow-up of the restrictive policy that the United States is trying to apply and of the legislative changes that are affecting trade with Latin America.

SELA is also considering the possibility of a coordinated action with the Latin American ambassadors to Washington, as well as lobbying, that is, mobilizing public opinion and the sectors that make U.S. trade policy in order to defend Latin American interests.

A mechanism that is considered effective and that has been put into practice by the EEC, Japan, and the United States is using the regional purchasing power.

[Begin Rodriguez recording] This basically means a refusal to buy certain products coming from the United States, if the United States does not change some of its policies or its protectionist measures affecting Latin American exports. [end recording]

In conclusion, all of the mechanisms included in the multilateral efforts of Latin America will depend on the political will of the governments affected by the U.S. protectionist measures.

CHILEAN SECRET SERVICE SPYING ON ARGENTINES

PY212148 Madrid EFE in Spanish 1912 GMT 21 Aug 86

[Excerpt] Buenos Aires, 21 Aug (EFE) -- A reliable diplomatic source told EFE today that the Argentine Embassy in Santiago is one of the diplomatic missions in Chile that was spied upon by General Augusto Pinochet's secret services. The source stated the Argentine Foreign Ministry "has evidence that its embassy in Santiago has been spied on, but that taking into account the forthcoming visit of Pope John Paul II to Chile and Argentina, it has decided to keep silent on the case." Asked further about the "evidence," the source stated: "The Hotel Tito has been erected next to the embassy's building, located at 285 Miraflores Street, in Santiago. The owner of the hotel is a high-ranking member of the Chilean secret service."

"On several occasions we have detected the drilling of holes on the adjacent wall, which were later closed," leading us to believe that microphones have been installed to record the conversations within the Argentine diplomatic mission.

"Moreover, in front of the Argentine Embassy there is another 2-story building which has been uninhabited for years. But, we know that the movement of persons within the embassy offices is watched from there," the source added. [passage omitted]

Report 'Baseless' Without Name

PY220003 Buenos Aires TELAM in Spanish 2346 GMT 21 Aug 86

[Text] Buenos Aires, 21 Aug (TELAM) -- The Foreign Ministry tonight announced that a report disseminated this afternoon -- 21 August -- by the press agency EFE entitled, "Argentine Embassy in Chile was Also Spied On," is absolutely baseless, and lacking any truth.

The Foreign Ministry has once again reiterated, that any type of information attributed to an official source of the Foreign Ministry will lack any truth if the name of the official is not specifically mentioned.

ALCONADA DENIES REPORT ON NICARAGUAN EMBASSY

PY211526 Buenos Aires TELAM in Spanish 2344 GMT 20 Aug 86

[Text] Buenos Aires, 20 Aug (TELAM) -- Latin American Affairs Under Secretary Raul Alconada Sempe today denied reports that the Foreign Ministry intends to request the number of personnel at the Nicaraguan Embassy in Buenos Aires be reduced. Alconada Sempe stated that the report by a morning daily is completely untrue and that it does not conceal its intention to disturb the relations with a friendly Latin American country.

The denial was made in the presence of Nicaraguan Ambassador to Argentina Fernando Guzman Cuadra, who went to the Foreign Ministry to discuss the upcoming visit of a Nicaraguan delegation to Buenos Aires to discuss a broad agenda of bilateral issues.

ALCONADA RECEIVES CUBAN VICE FOREIGN MINISTER

PY212200 Buenos Aires TELAM in Spanish 1718 GMT 21 Aug 86

[Text] Buenos Aires, 21 Aug (TELAM) -- Cuban Vice Minister of Foreign Relations Ricardo Alarcon has met with Raul Alconada Sempe, under secretary for Latin American affairs, to discuss bilateral matters, particularly the position of the Latin American group at the forthcoming summit conference of the Nonaligned Movement to be held in Harare, Zimbabwe, beginning 1 September.

Alarcon went to the Foreign Ministry accompanied by Cuban Ambassador to Buenos Aires Fernando Lopez Muino and Argentine Ambassador to Cuba Luis Clarasso de la Vega.

At the end of the meeting, Alconada Sempe began his preparations for the trip to Harare where he will attend the preparatory meetings of the 8th summit conference of the Nonaligned Movement.

SENATE EXPRESSES SOLIDARITY WITH PERU ON IMF

PY220219 Buenos Aires TELAM in Spanish 2344 GMT 21 Aug 86

[Text] Buenos Aires, 21 Aug (TELAM) -- The Argentine Senate has approved a declaration of solidarity with Peru against the coercive measures adopted by the IMF against Peru.

The Senate, acting on the initiative of Senator Adolfo Gass (UCR - Buenos Aires) suspended debate on the drug bill, to discuss the proposed declaration. After the approval of the declaration, the Senate continued with the discussions on the subject scheduled for today's session.

48-HOUR STRIKE UNDERWAY; COB ISSUES COMMUNIQUE

PY211458 La Paz La Red Panamericana in Spanish 1130 GMT 21 Aug 86

[Text] Workers throughout Bolivia today began a 48-hour stoppage called by the Bolivian Labor Confederation [COB] and the Board for the Defense of the National Sovereignty [Junta Defensora de la Soberania Nacional] the committee for the Defense of Mining [Comite de Defensa de la Mineria], and the Consultative People's Committee for the Support of Mineworkers [Comite de Consulta Popular en Apoyo a los Trabajadores Mineros].

In keeping with instructions issued by the COB, emergency services -- namely the electric power supply service, water supply service, cemeteries, slaughterhouses, municipal crews, ENTEL [National Telecommunications Enterprise], ENTA [National Automotive Transport Enterprise], LAB [Lloyd Bolivian Airline], AASANA [Auxiliary Air Navigation Service Administration], radio stations, press, television stations, YPFB [Bolivian Government Oil Deposits], health services at hospitals, clinics, and emergency services -- will work normally.

The COB has reasserted that the stoppage is being held: to support Oruro and Potosi Departments; to defend the sovereignty; to protest tax increases and the resumption of payments on the foreign debt; and, to defend sectorial social achievements and the pressing need to improve the purchase power of the salaries.

In a communique signed by Juan Lechin Oquendo, Victor Lopez, Angel Zaballa, Jose Justiniano, and others, the COB protests the government's repression against the Oruro workers and people.

The COB communique states: Never before have the protests, demonstrations, and demands of a neglected nation whose workers have been submitted to the nefarious consequences of a policy oriented toward the destruction of productive enterprises been more justified.

The COB communique adds that the government is using repression as its customary method to silence the people's protests in view of its complete inability to provide solutions or at least to find ways to solve the serious problems being endured by the Bolivian nation and people. Condemning repression and the denial of civil principles and rights provided for by the Constitution, the COB states that more than 40 people were arrested and 10 injured during the massive protest rally in Oruro. The communique states: We reiterate that it is the government that disturbs public order and denies Bolivians the right to live as human beings. It adds: the protests will continue as long as the unpopular measures, which erode the basic conditions for a peaceful and democratic coexistence, are not halted.

In turn, the government warned it will drastically enforce the law in the face of excesses by the unionists. Interior Minister Fernando Barthelemy has stated: We have been very tolerant recently, seeking to show that the government is willing to pacify the country. However, this attitude has been viewed as weakness. Now, we will have to adopt the measures established by the law, that is, we will basically carry out the law, the interior minister said.

The interior minister added: The events occurring yesterday show us the irresponsibility of some political and trade leaders. He said that we know there is a preconceived plan designed by COB and COBEE [Bolivian Electric Power Company] trade union leaders to exert pressure for their demands for salary increases by causing power cuts throughout the city of La Paz.

Barthelemy stated: Today, we will file an indictment to have these individuals tried. It is not possible to harm the people this way. Electric machines were stopped, and this was a totally irresponsible move, the minister said. The minister added: We should understand that our problems will not be solved through rash actions by irresponsible people.

Barthelemy accused the members of the Convergence Axis [Eje de Convergencia] and of the so-called Board for the Defense of the National Sovereignty of being responsible for the social unrest in Bolivia.

The minister said: I cannot understand how they failed to create a board when we were invited by the communist guerrillas and when strongly armed paramilitary groups supported drug trafficking. The minister concluded by stating that certain political sectors recently adopted attitudes championing nationalism, that the Human Rights Assembly only champions the rights of left-wing people, and that certain organizations created abroad have adopted the same orientation.

Antelo: Situation 'Normal'

PY212211 La Paz La Red Panamericana in Spanish 1700 GMT 21 Aug 86

[Excerpts] According to Information Minister Herman Antelo, complete tranquillity prevails throughout Bolivia. The police are patrolling the cities and the Armed Forces are patrolling the roads to prevent any disturbances. This report was made by Antelo during a cabinet meeting recess at 1309 at Government House. [passage omitted]

The information minister said reports have been received from different points in Bolivia, stating that the situation throughout the national territory is normal. Let us listen again to Minister Herman Antelo's report.

[Begin recording] Concerning the country's general situation, the reports received at Government House and at the Interior Ministry state that tranquillity prevails throughout the national territory and that the strike or general stoppage called by the COB [Bolivian Labor Confederation] is being partially observed. In some departments, it is being strictly observed and in others only partially. In some departments, like Trinidad and Santa Cruz, the strike is hardly noticed while in other departments, like Oruro and Potosi, which have already been paralyzed, the strike is more noticeable. You can personally assess the situation in La Paz.

The police are on a state of alert to prevent any action to disrupt public order. The police will not act if those actions are not taking place. The Armed Forces are also patrolling some roads and highways to prevent them from being blocked. [end recording] [passage omitted]

MINEWORKERS STAGE DEMONSTRATION IN ORURO

PY220228 La Paz La Red Panamericana in Spanish 0000 GMT 22 Aug 86

[Text] A new, noisy demonstration was staged in the city of Oruro this afternoon when thousands of mineworkers marched through the main streets detonating sticks of dynamite. A Radio Panamericana correspondent in Oruro has reported that several windows have been broken as a result of the demonstrators' explosions. Here is the report from our correspondent:

[Begin relay from Oruro] Mineworkers have announced different marches throughout the nation. A march was staged this afternoon, for approximately 3 and 1/2 hours. Simon Reyes Rivera, executive member of the mineworkers, has announced a mineworkers' march through the main capitals of the country, calling it a peaceful march for life.

Many people spoke today, but Reyes Rivera was considered to be one of the main speakers. He said that tonight the leaders of the different unions grouped in this capital will begin the preparations for the march that could begin on Saturday with a march to La Paz, and later to the other four main capitals.

This afternoon, at 1600, a demonstration was staged here with the objective of preventing the closing of the mines and further dismissals of mineworkers. Delegations from Catavi, Siglo Veinte, Huanuni, Bolivar, Santa Fe, Morococama, Machacamarca, San Jose, and Oruro were present.

A negative action -- which has caused a reaction -- was taken by the mineworkers who despite the absence of police troops detonated stickes of dynamite continuously, provoking fear among the people and causing considerable damage to the main store windows.

The demonstration also repudiated the first departmental authority. The dynamite explosions were intensified when the mineworkers observed groups of employees, workers, and other civilians along the streets. We repeat, the mineworkers staged a demonstration this afternoon, and they decided to stage other marches through the different capitals of the country to prevent the genocidal plan of closing Comibol [Mining Corporation of Bolivia]. [end relay]

VIDEO SHOWS 'EVIDENCE' OF ESPIONAGE CASE

PY212240 Madrid EFE in Spanish 1942 GMT 21 Aug 86

[Text] Santiago, 21 Aug (EFE) -- Former Chilean Congressmen Sergio Paez and Carlos Dupre today revealed some details concerning the case of political espionage on several embassies and showed a videocassette containing the statements of the two alleged spies.

Paez and Dupre said in a press conference before Chilean and foreign reporters that they have evidence of the espionage conducted at the Spanish Embassy. They added that this was only part of a network involving "all the embassies" accredited in Santiago. They also explained that "approximately 1 and 1/2 or 2 months ago" they were contacted by two individuals who said they were in charge of intercepting confidential information from the Spanish Embassy.

They are former noncommissioned officers of the Chilean Navy, Patricio Geldres and Victor Enriquiz, who said they were working for the National Intelligence Center (CNI) and upon request of the two former congressmen, they handed over copies of the documents obtained from the Spanish Embassy. The whereabouts of Geldres and Enriquiz are unknown, but according to reports, they already left Chile.

Paez and Dupre indicated the documents were checked and later verified with the Spanish Embassy and that they were copies of notes and other documents belonging to that embassy.

The alleged spies made an extensive and detailed declaration in a videocassette that lasted 12 minutes and was shown to the reporters. The two individuals who introduced themselves as Patricio Geldres and Victor Enriquiz said they are former noncommissioned officers of the Navy and are currently working for the CNI.

They explained that their mission was to gather all the trash and other rubbish from the Spanish Embassy and to classify and select all kinds of paper, rough copies, typewriter ribbons, perforated telex tapes and even the documents put through the shredder. This material was then patiently classified according to color, weight, quality, etc, and then ordered on rubber topped tables like a jigsaw puzzle. This is how the former naval noncommissioned officers recomposed notes and documents -- some of them restricted and confidential -- which were sent from the Spanish Embassy in Santiago to the Ministry of Foreign Affairs in Madrid and vice versa.

The individuals indicated that the reconstructed documents included coded messages and lists of dinner guests at the Spanish Embassy. The two "deserters" also said that they were aware that similar groups were gathering information from other embassies such as the Uruguayan, Venezuelan, Italian, and Netherlands Embassies. Geldres and Enriquiz also said it is possible that espionage was also being conducted at the U.S. Embassy through infiltration of the security company "Wockannat," contracted about 1 year ago.

After the videocassete, the former Chilean congressmen offered reporters photocopies of documents allegedly intercepted at the Spanish Embassay as evidence. Some of the documents are related to the participation of Spanish congressmen in a recent meeting held in Chile.

'Vulnerable' Informers Sought

PY212255 Madrid EFE in Spanish 1707 GMT 21 Aug 86

[Text] Santiago 21 Aug (EFE) -- The Venezuelan and Uruguayan Embassies in Chile have been spied on by two former Chilean noncommissioned Navy officers, who left behind a video recording and have fled the country.

Former Deputies Carlos Dupre and Sergio Paez showed the 12-minute video made by former noncommissioned officers, Patricio Geldres Santander, 33, and Victor Leonidas Enriquiz Valenzuela, 31, at a press conference. The two former Navy men said they decided to desert and reveal the details of their work when they were ordered to recruit "vulnerable" Chileans working in the embassies on which they were spying. They said the most vulnerable ones were those who had an excessive fondness for alcohol or women.

Regarding the espionage against the Uruguayan Embassy, the alleged spies said they were told to start recruiting personnel who would deliver information. For that purpose, they had organized files containing information. They had specifically selected the person in charge of security in the Uruguayan Embassy as being "vulnerable."

Geldres and Enriquiz said they had decided to hand over the information and leave the country because they were ordered to become involved in acts they considered inappropriate for former members of the Armed Forces.

They added that they were part of "one of the spy networks working in all the embassies in Santiago."

KIDNAPPED COLONEL RELEASED; CONDITION GOOD

PY220311 Paris AFP in Spanish 0303 GMT 22 Aug 86

[Text] Santiago, 21 Aug (AFP) -- Police sources reported that Colonel Mario Haeberle, who was kidnapped on 18 August by the clandestine Manuel Rodriquez Patriotic Front (FPMR), was released tonight apparently in good condition in the eastern part of Santiago. The colonel was released 88 hours after the kidnapping, which mobilized about 8,000 soldiers, policemen, and security agents in the search of the kidnappers.

The colonel was released after Cardinal Juan Francisco Fresno asked the FPMR to release the prisoner as a way to seek peace and real fraternity.

PINOCHET SAYS POLITICIANS AWARE OF ARMS CACHES

PY212125 Santiago Domestic Service in Spanish 1700 GMT 21 Aug 86

[Relay from Government House by Rosa Sanchez]

[Excerpts] President Pinochet has reported that the investigations into the discovery of arms caches in the Northern region and also near Santiago, have shown that more than one politician was aware of the existence of this arsenal. Pinochet announced this while thanking numerous people for their congratulations on his 13th anniversary as Chilean Army Commander, which he will commemorate within a few days.

The first greeting he received was from a Pudahuel community leader who expressed the affection of Pudahuel community dwellers and the support for a government that, as she said, has sought the best for Chileans. President Pinochet answered her by saying that since 11 September 1973, he has not been struggling for himself, but for Chile, its people, and for all those who have needs. He added that today more than ever, the Chilean Government needs their support.

[Begin Pinochet recording] They have brought (?all of this came from) abroad. There is more than one politician involved in all this. The investigations being carried out show there are some who knew the existence of this arsenal.

This is why I deeply thank you for your presence here today. You can be certain that while I am alive, and while I am here in my post, my main concern will be the people who needs the most -- the Chilean people, who must improve their standard of living -- because everyone must have the chance to be someone.

I remember once in Pisagua, I asked a lady why she was a communist and she answered: Because I want my children to be someone, and no one gives me anything.

Well, I am not a communist. I am an anticommunist. But, I also want to give you something so that your children may be able to fulfill their aspirations. [end recording]

Pinochet made a similar statement in four other meetings during which he was greeted and congratulated by other groups. [passage omitted]

Santiago Raids Yield More Arms

PY212026 Santiago Domestic Service in Spanish 1700 GMT 21 Aug 86

[Excerpts] The Government Social Communications Agency Dinacos has issued a communique which reports on the raids that were carried out yesterday by security personnel in the Santiago Metropolitan area. It adds that as a result of these raids many more arms were discovered. The following is a relay by Rosa Sanchez:

[Begin relay] The Dinacos has just issued a communique reporting that security personnel have found new arms cahces near Santiago.

The Dinacos communique states:

Dinacos informs the public that security personnel investigating the discovery of important clandestine arms caches in the 3d Region, yesterday discovered new arsenals near Santiago. These installations belong to the so-called terrorist Manuel Rodriguez Patriotic Front [FPMR] and are used as caches for the arms brought from the 3d Region, as well as a subversive training center.

The Dinacos communique adds that at 2496 Vicuna Mackenna Avenue, in Penaflor, security personnel discovered a specially prepared hidden tunnel, which was used as an arms and explosives cache. Security personnel also dismantled an arsenal found on lot No 4, called La Trilla. Among other things, the security personnel found the following war materiel: 60 FAL rifles; 45 M-16 rifles; 4 M-60 machine guns; mortars; rocket launchers, and explosives.

The Dinacos communique adds that another arms cache was found on a lot located at 576 Grandos Street, in La Quintana. This arms cache consisted of an abundant supply of ammunition, about 29 rifles and rockets.

Five people were arrested following the discovery of these new arms cache. They have been identified as: Jose Abelardo Moya Toro, Jorge Vladimir Velazquez Ugarte, Viviana Soledad Ortega Carrasco, Manuel Arturo Solis Cubillos, Marianeta (?Absobillo), and (?Eva Tatcher). A minor -- the daughter of one of those arrested -- has been placed under the custody of a close relative who was contacted.

Dinacos noted that the people will continue to be informed about the progress of the investigations of the arms caches discovered near Santiago. [end relay]

Before the discovery of the arms cache -- located under a chicken house -- a young couple and a mysterious third person escaped minutes before security personnel arrived. The arms found there are reportedly part of the cache clandestinely brought into the country by subversive groups during the beginning of 1986.

Security personnel continue to conduct search operations in Santiago and the provinces to discover all the arsenals and deposits installed in the 3d Region where subversives have established a beachhead to disembark the arms. [passage omitted]

IMPRISONED JOURNALIST RELEASED, EXILED TO FRANCE

PY211529 Paris AFP in Spanish 2126 GMT 20 Aug 86

[Text] Santiago, 20 Aug (AFP) -- Official sources have reported that Ulises Gomez Navarro, a Chilean journalist who has been imprisoned for the past 8 years for his activities within the outlawed Movement of the Revolutionary Left (MIR), has been released in Santiago and was exiled to France today.

Gomez Navarro was arrested in 1978 by agents of the military government of President Augusto Pinochet, who accused him of cooperating with the MIR in the clandestine publication of the newspaper EL REBELDE. Brought before a military court, Gomez Navarro, 29, faced additional charges. He was sentenced to a prison term, which, he served in several prisons in Santiago and other cities. The Chilean Government ordered his release after accepting the exile of Gomez Navarro.

A statement issued by French Ambassador to Chile Paul Depis states that Depis conveys his appreciation to the high-ranking Chilean authorities for the act of mercy which has permitted Mr Ulises Gomez Navarro to leave for France. The communique added that everyone who participated in this solidarity chain of events -- the happy outcome of which we are now learning -- must feel both stimulated and hopeful.

Gomez Navarro left today for Paris on an Air France flight.

BARCO ANNOUNCES GUARANTEES FOR OPPOSITION

PA220132 Bogota EL SIGLO in Spanish 15 Aug 86 pp 1, 6

[Excerpts] Yesterday President Virgilio Barco sent a message to the Conservative Party leadership in which he states that "the government will do everything possible to facilitate the legal exercise of opposition."

"The appropriate guarantees, the tools to carry out opposition activities, and the proper settings will be at the disposal of the Conservatives and of all sectors of the opposition as well," the president said.

The message was sent to Rodrigo Lloreda Caicedo and Roberto Gerlein Echeverria, president and vice president of the National Conservative Party Directorate, respectively.

The following is a complete text of the message sent by President Barco to the Conservative Party officials:

Dr Rodrigo Lloreda Caicedo, president of the Natinal Conservative Party Directorate.
Dear Doctor:

The current political situation involves enormous responsibilities for Colombian Government leaders. The government and the political parties must be aware of the importance of these historic times, and therefore we must act accordingly.

I would like to strongly state that the government will not spare any efforts leading to the strengthening of our democracy through the constructive discussion of the problems of our country. We will do everything possible to facilitate the legal exercise of opposition. The appropriate guarantees, the tools to carry out opposition activities, and the proper settings will be at the disposal of the Conservatives and of all sectors of the opposition as well.

I am sure that the organization you represent with dignity will carry out the opposition within institutional channels and in keeping with the highest criteria. Therefore I would like to express my deepest respect for the political guidance your directorate has given to the Conservative Party.

I know that the government and the party you represent will contribute to the success of this political project that lies within the framework of the tolerance of Colombian democracy.

I am especially pleased with your appointment as president of the National Conservative Party Directorate. We are willing to maintain a permanent dialogue that may allow us to move forward in the interesting job of devising new methods to improve our political regime.

The Government Minister Speaks [subhead]

Government Minister Fernando Cepeda Ulloa, at the end of a meeting with the Conservative Party leaders, said that access to public administration cannot be determined by political parties, color, or religious beliefs. He also called on everyone to work for a better Colombia.

Cepeda Ulloa announced that the Conservative Party will work with the present government in important technical positions. In this regard he said: "We are ready to appoint members of the Conservative Party in important decentralized institutions, which will be of significance to the country. [passage omitted]

Public Order [subhead]

Regarding this issue Cepeda Ulloa said that some regrettable incidents have taken place and that the government has taken measures. "The most difficult case of all, because of social reasons and not because blood has been spilled, has been one involving Cauca Department where more than a thousand peasants have been demonstrating. The government immediately sent Carlos Ossa Escobar, presidential adviser on reconstruction, rehabilitation, and normalization, to solve this problem in a civilized and appropriate manner. I believe this problem is being handled well. Regarding other cases such as unexpected attacks and ambushes, it is very difficult for the government to be as prepared as it would like to be," Cepeda Ulloa said.

Government Minister Cepeda Ulloa said the situation "is not serious," "There have been some regrettable incidents which we hope will not be repeated," he said. [passage omitted]

The Guerrillas [subhead]

Asked if Ossa Escobar would be working alone in the reconciliation duties, Cepeda Ulloa said he is not alone because he will have a government structure at his side, which will be in charge of the rehabilitation plan and national and international financing which will coordinate political, economic, and social problems of the government. "All of the ministers will convene to discuss with him the situation of former guerrillas who want to join civilian life so they may receive the benefits of those programs. The entire government will be involved in this job, led by the president who will give it more support. It will be a radical change of the policy of rehabilitation, reconciliation, and normalization," Cepeda Ulloa said.

Regarding the rehabilitation plan, he said the government is taking the necessary measures to speed up the financing of the program.

TRIBUNAL DISMISSES JUDGE WHO RELEASED OCHOA

PA211836 Bogota Television Service in Spanish 1730 GMT 21 Aug 86

[Text] The Superior Customs Tribunal has dismissed Fabio Pastrana, the sole customs judge of Cartagena, who released Jorge Luis Ochoa [alleged drug trafficker]. The U.S. and Spanish press rejected this action by Judge Pastrana.

The customs tribunal is meeting at this hour to review the names of all its delegates in the country.

Further On Pastrana's Removal

PA220209 Bogota Television Service in Spanish 0000 GMT 22 Aug 86

[Text] Controversy still prevails in the United States because of the decision made by customs Judge Favio Pastrana to release the alleged drug trafficker Fabio Ochoa Vasquez on bail in Cartagena after he was convicted of smuggling bulls for bullfighting.

Judge Fabio Pastrana was removed from his post by the Customs Court. However this decision was not made because of Pastrana's involvement in the Ochoa Vasquez case. The court appointed 50 out of 72 judges. It has been the largest replacement of customs judges so far. This move involves a change in customs, justice, and will surely lead to a stage of moralizing.

Regarding the Ochoa Vasquez case, we must point out that the attorney general's office has been informed by the Justice Ministry that in addition to Judge Pastrana, the warden of La Ternera Jail also knew about this incident.

It is well-known that Ochoa Vasquez is being sought by U.S. officials.

PATRIOTIC UNION MEETS WITH NEW DEFENSE MINISTER

PA150137 Bogota Television Service in Spanish 1730 GMT 14 Aug 86

[Text] The Patriotic Union Coordinating Board today told high-ranking military commanders of the harassment which members of the party are being subjected to in several areas of the country. Jaime Pardo Leal [leader of the Patriotic Union Coordinating Board] said this meeting with the defense minister and high-ranking military commanders is truly the democratic opening of President Virgilio Bargo's government.

[Begin Pardo recording] The meeting went just as it should. It is the first time in our country's history that a defense minister has met with the democratic and revolutionary forces. This meeting has been very useful, for us and for the country. We want nothing for our movement. We want to implement peace in our republic. The meeting was a good and honest one and we hope that what was discussed at the meeting -- in strong but polite words -- will be fulfilled. We asked that the Patriotic Union be guaranteed that all its leaders and members will be allowed to be in contact with our people and that not more graves of men struggling for peace and social changes will be opened. [end recording]

BRIEFS

NEW ECOPETROL PRESIDENT -- Jose Francisco Chona Contreras has been appointed new president of the Colombian Petroleum Enterprise, Ecopetrol, replacing Alfredo Carvajal Sinisterra. In addition, Gabriel Turbay Marulanda was appointed Deputy Minister of Mines and Energy. Diego Otero was appointed head of the Colombian Electrical Power Institute, ICEL. [Summary] [Bogota EL TIEMPO in Spanish 1 Aug 86 p 6-8 PA]

MILITARY APPOINTMENTS -- Official sources announced yesterday that Army Major Generals Jaime Hernandez Lopez and Pedro Nel Molano Vanegas were appointed new director of the Superior War College and Army prosecutor, respectively. In addition, it was reported that Major Generals Ernesto Lopez Ruiz, Antonio Jose Prado, and Armando Aris Cabrales will become inspector of the General Command of the Military Forces, inspector of the Army Command, and private secretary of the defense minister, respectively. [Summary] [Bogota EL TIEMPO in Spanish 10 Aug 86 p 7B PA]

INCREASE IN FOREIGN INVESTMENT -- The Colombian Government has reported that foreign investments increased by $288 million during the first half of 1986 as compared to the same period last year. [Excerpt] [Bogota Cadena Radial Super in Spanish 1730 GMT 17 Aug 85 PA]

CONGRESS APPROVES INTERNATIONAL AGREEMENTS

PA211845 Quito Voz de los Andes in Spanish 1130 GMT 21 Aug 86

[Text] The National Congress has approved three international agreements. Two were signed by the EEC with the member-countries of the Andean Group, the third by the Commission of the Cartagena Agreement with Panama. Congress also began a pre-approval review of administration implementation measures concerning Spanish-Ecuadoran social security agreements and supplements.

Approved were the cooperation agreement between the member-countries of the Andean Group and the EEC, and the protocol of the trade and economic cooperation agreement signed by the Andean nations with the European Coal and Steel Community, which was concluded in Cartagena in December 1983.

The purpose of the documents is to bolster trade ties between the Andean subregion and the EEC. They were promoted by the Andean Parliament while Ecuadorean Raul Baca was chairman.

The third agreement is aimed at intensifying economic ties between the Andean Group and Panama through trade and financial cooperation as well as implementation of technical, scientific, and technological programs.

ALFARO LIVES CLAIMS RESPONSIBILITY FOR KILLINGS

PA211408 Paris AFP in Spanish 2333 GMT 20 Aug 86

[Text] Quito, 20 Aug (AFP) -- Today at noon the Ecuadoran Alfaro Lives rebel movement claimed responsibility for the murder of three policemen who were guarding a member of that group. He was rescued from the Eugenio Espejo Hospital located in front of the National Congress in Quito. The incident took place on Tuesday, and was condemned by all sectors of the country.

The rebel communique was delivered to the media, signed "somewhere in Ecuador," by the top leader of group Arturo Jarrin, for whose arrest and that of other rebels the government has offered a reward of 5 million sucres ($30,000).

The Alfaro Lives group said its Martyrs of Guayaquil Commando "rescued Companero Lenardo [as received] Vera Viteri Fidel," and it claimed "full responsibility for the three casualties inflicted on the Ecuadoran national police during that operation."

General Luis Suarez, the general commander of the police, who arrived at the premises along with Ecuadoran Government Minister Luis Robles Plaza, said that six men and a woman dressed as interns arrived at the hospital in a stolen taxi, and "killed at point blank range the policemen who were guarding the prisoner. The policemen did not have time to react. The rebels were armed with machine guns and used 9 mm automatic pistols to kill the policemen.

UNION LEADER KILLED; BOMBINGS REPORTED

PY211944 Paris AFP in Spanish 1513 GMT 21 Aug 86

[Text] Lima, 21 Aug (AFP) -- The police today reported in Lima the killing of a trade union leader of the state-owned Centromin [Central Peruvian Mining Enterprise] in Cerro de Pasco, two bomb attacks in Puno, and another in Ayacucho over the past 24 hours. It is believed the attacks are the work of the Shining Path commandos.

Trade union leader Saul Porras was stabbed to death yesterday by two presumed Shining Path members who followed him from his house in the suburbs of the city of Cerro de Pasco, 317 km southeast of Lima. Porras participated in the discussions on the latest demands raised before Centromin by the Federation of Miners and Metalworkers -- some 17,000 members -- which sponsored a strike in February and March 1986. During the strike, four trade union leaders were killed.

The Peruvian authorities then said the killings were perpetrated by terrorists who have infiltrated the trade unions with the aim of rendering the mining enterprises inactive, thus seriously harming them. In Juliaca, a province in Puno Department, the building that houses the Collasuyo Radio Station, and the house of Jose Loza, a United Left candidate for mayor of San Roman Province, were bombed yesterday. There were no casualties, but serious damage was reported. In Ayacucho, an explosive device planted at the Turistas Hotel, where APRA [American Popular Revolutionary Alliance] Deputy Alberto Valencia was staying, was defused. Valencia said that a note was left next to the bomb, threatening to kill him.

MOTION FILED TO QUESTION CABINET ON PRISON RIOTS

PY211923 Paris AFP in Spanish 1606 GMT 21 Aug 86

[Text] Lima, 21 Aug (AFP) -- Congressional sources today reported some 62 opposition deputies last night submitted a motion to summon Peruvian Prive Minister Luis Alva Castro's Cabinet for questioning in connection with the events that took place in June this year at 3 Lima and Callao prisons, where approximately 300 prisoners charged with terrorist activities died.

Meanwhile, 45 Republican Guardsmen have been sent to Canto Grande prison -- on the outskirts of Lima -- because of their direct involvement in the execution of more than 100 inmates of Lurigancho prison -- also in the suburbs of Lima -- after they had surrendered. Deputies of the United Left (IU), the second strongest political force in Peru, of the Popular Christian Party (PPC), and of the Popular Action (AP), yesterday asked Chamber of Deputies President Fernando Leon de Vivero to set the date for the Cabinet to be questioned in Congress.

This is the first time a motion has been filed to question the ministers of the current administration. It contains 22 questions concerning the events that took place on 18 and 19 June, when some 700 prisoners charged with terrorist activities staged simultaneous riots in prisons in Lima and Callao. The riots were violently brought under control at the cost of some 300 lives. A meeting with the Socialist International was being held at the Peruvian capital at that time.

DEFENSE MINISTER COMMENTS ON 'TENSION' IN FORCES

PY202250 Montevideo Radio Carve in Spanish 0930 GMT 20 Aug 86

[Telephone interview with Uruguayan Defense Minister Juan Vicente Chiarino to Radio Carve reporter in Montevideo -- date not given]

[Excerpts] [Reporter's introduction] Defense Minister Juan Vicente Chiarino has said that it is advisable to avoid radical stands and to make a great effort to understand the problem of pacification. He added that the actions recently undertaken by some groups, which frequently criticize the Armed Forces, have created tension among some members of the military, who feel that they are being harassed.

Chiarino confirmed that 17 retired generals have issued a communique accepting responsibility for their actions during the struggle against subversion. He said the military men have not categorically rejected amnesty. He also confirmed that a house next door to the houses of two officers was attacked.

[Begin recording] [Chiarino] As you know, the president has for a long time tried to work out a political accord which will create an atmosphere of peace and tranquillity, so that the government and Congress may tackle the problems facing our country. [passage omitted]

[Reporter] How do the Armed Forces regard the situation?

[Chiarino] The commanders are considering the situation with absolute tranquillity. However, there is tension, and this is logical if we take into account what is happening in this country. As I said not long ago, I believe that the Armed Forces feel that they are being harassed. I will not deny what I said before. [passage indistinct] [passage omitted]

[Reporter] Mr Minister, 17 retired generals a few hours ago released a communique assuming responsibility for their actions during the antisubversive struggle and rejecting an amnesty.

[Chiarino] I have the impression that they did not categorically reject amnesty. The communique was read to me only once. The document was read at a meeting I held with the president and the Armed Forces commanders. It was submitted to the president before being released. I have the impression that the communique issued by the 17 generals has many positive points that the public may welcome, despite the fact that not everyone agrees with the Armed Forces' viewpoint on the struggle against subversion. But that is something else. Now that you are talking to me over the phone I cannot recall all the details of the communique. Yet I had the impression that it did not convey a rejection of amnesty and that it established some preconditions for reaching a solution, which the retired generals also deem essential for the preservation of peace. Therefore, I do not think the communique has categorically rejected amnesty.

[Reporter] Dr Chiarino, how does the government view this situation, particularly in light of the recent statements by Vice President Enrique Tarigo, who said the country is very close to a state of disturbance and who even wondered whether we are just waiting to see the first victim fall in the streets?

[Chiarino] Look, I do not believe that the remarks by Dr Tarigo, which I read in the newspapers this morning, have that meaning. However, I did not read his statement very carefully because I expected to read it more carefully this evening, when I will also analyze the remarks by Dr Jorge Batlle and Senator Manuel Flores Silva. I believe that the three leaders all agree that this matter cannot remain unresolved indefinitely, because it is hindering the resolution of other key issues that can also lead to debate. Yet this debate will not be as heated as in the human rights violation case.

Dr Tarigo said that any unfortunate incident would be undesirable. I believe it is very good that he said this and warned of this, because thank God no serious street incident occurred during the first 1 and 1/2 years of this administration, except for the difficulties that are known to everyone. But serious incidents can occur any time if radical factions increase tension to an unacceptable level. If this happens, it will be too late to try to find a solution or to deplore the situation. Therefore, all of us should try to avoid such a situation. Fortunately, the painful incidents that occur in other countries are not common here. In some South American countries, such incidents have happened so many times that the people do not react as intensely as the Uruguayan people would react if an incident between radical groups ended in violence. I do not mean that the people of those South American countries have become accustomed to such events, because this too would be terrible. We should try to avoid similar incidents. [passage omitted] [end recording]

BLANCO LEADER REJECTS AMNESTY FOR MILITARY MEN

PY220016 Montevideo Madrid EFE in Spanish 0038 GMT 21 Aug 86

[Text] Montevideo, 20 Aug (EFE) -- Amnesty for the Uruguayan military men involved in human rights violations is "unacceptable" for the main opposition National (Blanco) party, said top party leader Wilson Ferreira Aldunate today.

After meeting with President Julio Maria Sanguinetti to discuss this issue, the "Blanco" leader added that now the issue will have to be discussed by Congress. In turn, Sanguinetti decided not to make any statements about this matter to the journalists who were waiting for him today during a visit to the national cattle fair.

The president and his "Colorado" party last Monday decided to promote an amnesty law for military men, based on the principle of justice after the release of the "Tupamaros" guerrillas and "to pacify the country." The ruling "Colorado" party lacks the necessary number of votes in Congress to unilaterally impose its amnesty bill because it needs 66 votes and can only count on 55 among senators and deputies.

Sanguinetti today started a round of consultations with the main political leaders to achieve a consensus that will permit the approval of the amnesty bill at a time when in governmental circles a confrontation between "hot-headed left-wing people and nostalgic Armed Forces sectors" is feared.

The comments Ferreira Aldunate made tonight are the first obstacle the government has encountered in proceeding with the initiative. Political sources stated that the lack of votes to approve the amnesty bill may lead to a confrontation between branches and an eventual dissolution of congress with a call to elections in 8 weeks.

FOREIGN MINISTER CONSALVI TRAVELS TO HAITI

PA220332 Caracas Television Service in Spanish 0000 GMT 22 Aug 86

[Report by Martin Pacheco]

[Text] After participating with President Jaime Lusinchi at the meetings held today with ambassadors, Foreign Minister Simon Alberto Consalvi traveled to Haiti.

The purpose of his trip is to meet with the new Haitian authorities and with representatives of all political, economic, and social sectors.

Haiti is going through an important stage of political transition, which Venezuela has been following with great interest. After such a lengthy dictatorship, there are many difficulties that must be faced to promote a new course in this nation's history.

According to Foreign Minister Consalvi, Venezuela will contribute, as best as it can, to the consolidation of democracy in a process that is not free from serious political, economic, and social problems.

Since the fall of Jean-Claude Duvalier, a National Council of Government, headed by Henri Namphy as president, has been in power in Haiti. A private meeting between Consalvi and Namphy is scheduled.

Political and diplomatic media, especially at the Venezuelan Foreign Ministry, view this meeting as important because it is the first time a Venezuelan foreign minister has gone to Haiti in an official capacity.

FINANCE MINISTER COMMENTS ON DRAFT BILLS TO CONGRESS

PA211418 Caracas Television Service in Spanish 0000 GMT 20 Aug 86

[Text] The Finance Minister, the president of the Congress, the president of the Democratic Action [AD], the AD'S deputy national secretary, the AD'S congress faction director, and the presidents of the domestic policy commission and (?mines) commission of the Chamber of Deputies, met today to discuss the draft bills presented to the National Congress during its extraordinary sessions.

Following the meeting, AD President Gonzalo Barrios stressed that he feels that the economic matters to be discussed during this extraordinary period are important. These economic matters are aimed at reducing Venezuela's fiscal deficit. [recorded passage indistinct]

Finance Minister Manuel Azpurua elaborated on his views and said that each of the draft bills presented has its own objective.

[Begin recording] The fiscal draft bill will help cover the fiscal deficit that has resulted from the decrease in our fiscal revenue from our oil exports. Regarding the other draft bills, these complement the need and objective sought by the executive branch. The executive branch is trying to transfer and sell, to the private sector, some of the nonbasic enterprises. The amendments to the ground transportation law seek to implement a mandatory third party liability insurance and to place the Traffic Police Corps under the Metropolitan and State Police and the National Guard. [end recording]

Finance Minister Azpurua also said that from the very beginning, the government drafted an economic plan and that the goals of this plan are to achieve a balance in the foreign accounts. He said that this has been achieved. The government also seeks to achieve a fiscal balance.

[Begin recording] We have been working in this sense and we are achieving positive results. According to the information provided by the Central Bank, after a process of economic stagnation, in 1985 we reported a slight domestic growth of 0.6 percent. This year, according to Cordiplan [Office of Coordination and Planning] and the Central Bank, we should show a 2 percent growth. [end recording]

Minister Azpurpa stressed that we must maintain ourselves within a policy of discipline and fiscal austerity. He added that we must do our best to correct the deficit that has resulted from a decrease in fiscal revenue due to the oil situation.

OIL REVENUES DROP BY 21.14 BILLION BOLIVARES

FL212256 Mexico City NOTIMEX in Spanish 2206 GMT 21 Aug 86

[Text] Caracas, Venezuela, 21 Aug (VENPRES-NOTIMEX) -- It was announced here that Venezuela's oil revenues reflect a drop of 21.14 billion bolivares (approximately 7 units equal $1) compared to what had been initially budgeted.

The Council of Ministers today studied the situation and decided to reduce the budget of Venezuela's investment fund by 1.5 billion bolivares.

The drop in the price of oil has affected OPEC countries, Mexico, and some states in the United States, where the crisis has left thousands of workers unemployed.

In the case of Venezuela, the austerity measures and savings ordered by the government of President Jaime Lusinchi have avoided serious consequences, stated Carmel Lauria, minister of the secretariat of the presidency.

Lusinchi had to cut expenditures and maintain strict supervision over the fulfillment of austerity measures, without transferring great sacrifices to the popular sectors.

BRIEFS

MARIJUANA PLANTATIONS DESTROYED -- Maracaibo, 13 Aug -- Marijuana plantations found in the Perija mountain range are being destroyed in a special National Guard operation. The regional command of the Armed Forces of National Cooperation has begun the destruction of plantations in the jungle area on the border with Colombia where special action groups found marijuana plantations that cover approximately 9,000 hectares. National Guard General Corredor Ruiz reported that so far they have destroyed 1 million marijuana plants and the task to discover new plantations continues with the support of Venezuelan Air Force helicopters. [Summary] [Caracas EL UNIVERSAL in Spanish 14 Aug 86 p 4, 31 PA]

DEA OPERATIONS HAVE NO OFFICIAL SUPPORT

FL212059 Mexico City NOTIMEX in Spanish 1722 GMT 21 Aug 86

[Text] 21 Aug, (NOTIMEX) -- There is no existing agreement allowing the U.S. Administration's Drug Enforcement Agency [DEA] to operate in Mexico. The operations carried out by DEA agents do not have Mexico's official support.

Mexican Foreign Secretariat sources arrived at this conclusion after extensively reviewing agreements and documents that could authorize the presence of the DEA in Mexican territory.

The Mexican Foreign Secretariat denied the journalist's versions since the DEA does have permission to conduct investigations in Mexico.

On Tuesday, at the request of the governing PRI, the Permanent Commission of the Congress approved a request to the Foreign Secretariat Commission of the Senate asking for information on the status of DEA operations in the country.

REPORT ON ECONOMY GIVES BRIGHTER OUTLOOK

PA211609 Mexico City Red Nacional 13 Imevision Television in Spanish 0300 GMT 21 Aug 86

[Text] The Finance and Public Credit Secretariat and the Programming and Budget Secretariat asserted today that after 3 years of efforts by the present administration, the economy has more solid and secure bases to confront its problems.

The two secretariats submitted the report to the Chamber of Deputies on the status of the economy and public finances for the second quarter of 1986. The report contains a detailed explanation of the manner in which the Mexican economy has been coping with the foreign maladjustments that have impacted the domestic finances and production structures.

The situation is more solid than it was in late 1982. It is far better than in 1982 despite the drop in oil prices this year.

Bankruptcy of production apparatus has been prevented; new jobs have been generated. Inflation has been under control and reduced to levels below those of 1982.

Public finances are noticeably healthier. Disregarding interest payments, there is a surplus [superavit] in public spending of almost 6 percent over the gross internal product. [sentence as heard] This is unprecedented in the history of Mexico's public finances. Food production and housing construction reached record levels.

The crisis has been kept from further affecting real wages. In addition, important processes have been carried out regarding structural changes. The document notes that the current inflation and recession have resulted from the collapse of oil prices and not from the government's strategy or an absence of efforts by the social and private sectors. For this reason it is a mistake to try to attribute to the government's actions something that results from changes in reality.

Contingency Loans Requested

FL210314 Mexico City NOTIMEX in Spanish 0208 GMT 21 Aug 86

[Excerpt] Mexico, 20 Aug, (NOTIMEX) -- The Finance Secretariat has reported that Mexico has asked the international financial community for contingency loans totalling $1.6 billion to strengthen its international reserves.

Gustavo Petricioli, finance and public credit secretary, sent a communique on this matter to the international financial community.

The loan includes $1.1 billion from the United States and the central banks of 15 European countries, Japan, and Latin America. The remaining $500 million will be provided by creditor countries.

Petricioli explained that $850 million will be disbursed immediately and the remaining $750 [million] will be disbursed after a commitment is reached with the trade banks participating in the contingency loan. [passage omitted]

Citibank Grants Bridge Loan

PA202056 Mexico City XEW Television Network in Spanish 1300 GMT 20 Aug 86

[Text] (William Rhodes), vice chairman of Citibank and co-chairman of the Mexico Banking commission, said in Manhattan that commerical banks will give Mexico $500 million as part of the bridge loan to face short-term financial commitments. The decision to recommend to Mexico's creditor banks to participate in this contingency credit was officially disclosed in New York.

(Rhodes) also noted that the cost of the bridge loan will be at an interest rate slightly above seven percent. The banking commission said Mexico will pay commerical banks after it has received the first reimbursement of the financial package negotiated for 1986 and 1987 totalling $12 billion.

GOVERNMENT ASSUMES PART OF CFE FOREIGN DEBT

PA211755 Mexico City XEW Television Service in Spanish 1300 GMT 21 Aug 86

[Report by Francisco Fortuno]

[Excerpt] Yesterday President Miguel de la Madrid signed, as an honorary witness, an agreement in which the government assumes approximately 80 percent of the Federal Electricity Commission's [CFE] foreign debt, totaling approximately $8 billion.

President Da la Madrid said the federal government admits that a large part of the foreign debt acquired by the electricity sector was the result of a backward tariff policy that called for excessive subsidies to consumers.

[Begin De la Madrid recording] The federal government is not granting the electricity sector a gracious or gratuitous concession by assuming a large part of its debts. It is recognizing a reality and correcting an error. [end recording]

De la Madrid said that we must continue to realize that electricity must cover operational costs, and that they must even produce a profit for investments on a medium-term basis. He mentioned the need to diversify the sources of energy in the world, as oil reserves will eventually be consumed. De la Madrid stressed that the annual energy production growth during the past 4 years surpassed 5 percent, a percentage higher than the economy's general growth, which made it possible to meet the additional demands. President De la Madrid presided over a working session at the CFE's Technological Museum, during which a report on the progress achieved in the electricity sector between 1983-86 was presented. There were seven speakers.

Alfredo del Mazzo, secretary of energy, mines and parastate industry said that despite the crisis, the government has assigned a large sum for improvements in the electricity industry, thus guaranteeing the service and increasing productivity levels.

[Begin Del Mazzo recording] It is worth mentioning that Mexico is self-sufficient in electricity production, and that the corresponding trade balance is favorable. [end recording] [passage omitted]

FRENCH AUTO COMPANY TO CLOSE OPERATIONS

FL211805 Mexico City NOTIMEX in Spanish 1557 GMT 21 Aug 86

[Excerpts] Mexico City, 21 Aug, (NOTIMEX) -- Renault Mexicana S.A. has announced it will withdraw from the market and lay off 54 percent of its employees. In 1985, the company registered losses amounting close to 20 million pesos and reporting over 50 percent drop in its sales during this year's first 6 months. This was announced by Renault's director general (Mitchell Erussad), who noted that production had completely stopped 2 months ago and its workers were collecting only 70 percent of their salaries. [passage omitted] Labor sources indicated that the main cause of the bankruptcy was poor management practices of the French, who had high salaries paid in U.S. dollars.

MARITIME AGREEMENT WITH NETHERLANDS IN EFFECT

FL211740 Mexico City NOTIMEX in Spanish 1546 GMT 21 Aug 86

[Excerpt] Mexico City, 21 Aug, (NOTIMEX) -- Mexico and The Netherlands have agreed to facilitate, speed up, and cooperate with maritime traffic in line with an agreement signed in October, 1986 [as received], which will be in effect this month. The Foreign Secretariat [SRE] today announced the maritime transportation agreement between Mexico and The Netherlands, signed in The Hague on 18 October, 1984. [passage omitted]

BRIEFS

NEW AMBASSADORS' CREDENTIALS -- Mexico City, 21 Aug, (NOTIMEX) -- During a ceremony held at the national Palace's Hall of Ambassadors, President Miguel de la Madrid has received the credentials of the new ambassadors from several countries: Rodney Denham, New Zealand; Dimitur Alliev Lazarov, Bulgaria; Jose Ayax Zuniga Telleria, Honduras; and Amante r Manzano, Phillipines. President Miguel de la Madrid was accompanied by Foreign Secretary Bernardo Sepulveda, his private secretary Emilio Gamboa Patron, and presidential chief of staff division general Carlos Bermudez. [Summary] [Mexico City NOTIMEX in Spanish 2217 GMT 21 Aug 86 FL]

COLOMBIAN MINISTER GETS AWARD, CABRERA ON AID

PA201439 Panama City Panavision Television in Spanish 0000 GMT 20 Aug 86

[Report by Rey Barria]

[Text] The Panamanian Foreign Ministry this morning awarded new Colombian Foreign Minister Julio Londono Paredes the Order of Vasco Nunez de Balboa in the grade of the Grand Cross. Prior to being appointed foreign minister, Londono Paredes was Colombian ambassador to Panama. Questioned by the local and foreign press about international topics, Londono Paredes indicated it was not the proper time for such topics:

[Begin Londono Paredes recording] At this time I only want to express my deep affection and admiration for the Panamanian people and their pleasant and generous country that will be remembered deep in my heart, a feeling that I am sure is shared by many Colombians here in Panama. [end recording]

On his part, Panamanian Deputy Foreign Minister Jose Maria Cabrera referred to the recent U.S. approval of $100 million for the Nicaraguan contras and to the Contadora Group efforts:

[Begin Cabrera recording] We definitely believe that this does not in any way help the process for a peaceful solution of the Central American crisis. Any funds, aid, or help that promote violence will only heighten tension and increase the price in blood that Central America is paying, and they are a clear and important obstacle to the process of peaceful negotiation. [end recording]

The Panamanian Deputy Foreign Minister also denied increasing rumors about the establishment of diplomatic relations between Panama and the PRC.

PERUVIAN ENVOY: PIA VESTA WEAPONS FOR EL SALVADOR

PA220034 Panama City ACAN in Spanish 1511 GMT 21 Aug 86

[Text] Panama, 21 Aug (ACAN-EFE) -- Peruvian Ambassador to Panama Javier Ortiz de Zevallos has affirmed that the weapons transported by the Danish ship Pia Vesta were bound for El Salvador, not Peru.

Ortiz de Zevallos said: "For us, the official word has been given by Panama that the destination (of the weapons) -- and this has been proven with documents -- was El Salvador."

The Pia Vesta was seized on 14 June in Panamanian territorial waters with more than 100 tons of war materiel; the destination of the weapons is still unknown.

Ambassador Ortiz de Zevallos said that he "is absolutely sure that neither the Peruvian Navy nor the Armed Forces had anything to do with this matter."

Ortiz de Zevallos emphasized: "They have tried to use Peru as a smokescreen to conceal the fact that the weapons were coming from Eastern Europe, to make it appear as if they were coming from South America."

He added: "We were indeed concerned about the arrival off the Peruvian coast of a ship full of weapons requested by Peru. We did not know whether or not the weapons could be used in Peru. [sentence as received] We took all necessary measures to prevent the unloading of these weapons."

The manager of Terminales Chiriqui, S.A. (Techisa), Jose Fernandez, who was recently linked to the case of the Pia Vesta, said that much has been said about the weapons being transported in the ship; however, the identities of the buyer and the seller have not been disclosed.

The manager of Techisa, which is a cargo transporter, noted that the "merchandise" on the Danish ship was addressed directly to General Adolfo Blandon of the Salvadoran Army.

The Panamanian businessman said that the bill of lading only specified four wheel drive trucks and spare parts, among other products.

PRD WILL FULFILL POLITICAL PACT WITH PALA

PA211501 Panama City MATUTINO in Spanish 21 Aug 86 pp 1, 8-a

[By Jaime Beitia]

The Democratic Revolutionary Party, PRD, has decided to comply with the political pact it has with the Labor Party, PALA, on the election of Legislative Assembly presidents and vice presidents.

Sources close to legislator Alberto Aleman Boyd, a candidate to the presidency of the Legislative Assembly for the forthcoming period, have told MATUTINO that the decision was adopted following an intense dialogue among the top PRD leaders and PRD legislators.

The decision was reportedly adopted yesterday during a meeting at the Justo Arosemena Palace where it finally became possible to convince legislator Luis "Lucho" Gomez to decline his aspirations to the first vice presidency of the Legislative Assembly for the forthcoming period.

The sources also said that at yesterday's meeting, the legislators of the governing party bench reiterated their support for the candidacy of PRD legislator Alberto Aleman Boyd, who also has much backing from the other parties that compose the National Democratic Union.

Legislator Camilo Gozaine, president of the Legislative Assembly, has stated that the PRD will comply with its commitment with PALA. According to that commitment, PALA is to have the next first vice presidency post. Gozaine admitted that the PRD had assumed a mistaken position by not having acknowledged the political pact.

ARIAS SANCHEZ' 100 DAYS SPEECH TO NATION

PA210045 San Jose Domestic Service in Spanish 0102 GMT 20 Aug 86

[Speech by President Oscal Arias Sanchez; place not given -- live]

[Text] Costa Ricans: Friday marked the end of the initial 100 days of this administration's efforts. They were not easy days. The practices of the past -- good or bad -- apparently seek to impose themselves at the outset of every administration, as if nothing had to change.

There are pressures to increase prices, to increase salaries, to keep or acquire privileges, to occupy public posts. How I wish the demands of friends and the opposition of the adversary ended on election day! How I wish antagonisms would become commitments to help the country solve its problems! I know this is not easy, but it is worth trying again and again.

Today I reassert my belief that it is more important to build bridges than to erect walls. It is better to build together than to deepen the discord that divides and weakens us. Tonight I want to reiterate to you, first of all, my commitment to work tirelessly for Costa Rica's good. I will continue to encourage every initiative, regardless of its source, so long as it can be of benefit to the country. I will ask for cooperation from anyone wishing to help solve Costa Rica's problems and contribute to the nation's development.

In the name of Costa Rica I demand the right to work to implement the political program which the people approved during the recent elections. In the name of our homeland I ask that we work together to achieve all campaign promises, for which Costa Rica is waiting: to preserve peace; to resolve the housing problem; to establish morality in public and private activities; to guarantee employment to every Costa Rican; to dignify the family; to incorporate women and youths into the nation's activities; to rebuild the economy; to [word indistinct] political power; to promote economic democracy; and to (?reduce) the expenses of the political campaign.

In the name of the people I demand good faith in political struggles. For this reason I demand, with equal vigor, the right to make the will of the majority a reality, because otherwise we would be betraying democracy and flouting the most sacred part of our political coexistence. During these initial days of my administration we have centered our efforts on setting into motion the initial tenets of the political campaign. We felt it necessary to strengthen the best values we have inherited from our ancestors, which undoubtedly include honesty, sincerity, devotion to work, reaffirmation of Costa Rica's nationality, and humility. Our style of government draws its inspiration from them. We must wage a long and tenacious struggle to strengthen these values fully within our behavior.

We are working for these principles. This does not involve spectacular action or [illegible] hopes. We want a permanent attitude to permeate all of us -- the public and private sectors -- allowing us to work over and above political partisanship and to feel proud that we are making Costa Rica great. This is a call to work for honesty and to establish clear-cut rules for the public sector. I have received broad cooperation from all Costa Ricans in fighting wrongdoing. The government has begun to take action on various fronts, simultaneously and with equal determination in all of them.

We do not seek to blemish the honor of innocent people or to make the front pages of the newspapers. We seek to punish the wrongdoer in order to rebuild confidence in our public institutions and private activities, as well as (?faith) in our political parties. We have strictly adhered to our laws in every step. The country can be absolutely certain that we feel we are zealous guardians of honesty.

In another front in this same struggle, we are fighting drug trafficking with full vigor. The country has seen how we have confiscated large shipments of cocaine, destroyed extensive marijuana plantations, and captured dangerous criminals and drug traffickers during these past initial weeks. We know that this is not enough. We are drafting new legislation on this subject to be able to organize (?our resources better) and to apprehend the guilty more quickly and expeditiously. We are [word indistinct] the efforts of the authorities to make the fight against crime more effective. This is a national crusade. Together we can make life impossible for drug traffickers and force them to stop using Costa Rica to carry out their wicked trade. This must be our objective for the sake of our children and the dignity of our fatherland.

We are (?also going to launch) a comprehensive campaign to stringently combat contraband. [Words indistinct] to reorganize the customs system because it is necessary to protect law-abiding producers and merchants. We fight contraband because we know that, he who seeks to make easy profits by avoiding work and flouting the laws is a factor of social demoralization. We are prepared to cleanse the country of undesirable aliens. We are reviewing the files of some foreigners and the cases of some people who have acquired Costa Rican citizenship by lying about their backgrounds.

Some foreign nations who even enjoy certain privileges here are wanted by the international police. Others are engaged in activities undesirable for our country. Costa Rica must never be a haven for criminals nor tolerant toward anyone who uses its soil to engage in criminal activities. I advise the country very clearly that we will do everything within our power and will strongly act to expel all undesirable aliens who are a source of corruption in Costa Rica.

In addition to expelling foreigners in this situation, we are determined to take drastic action against Costa Ricans who are found to be accomplices to granting entry and protection to these undesirable foreigners who have so greatly harmed and are harming our country's morals.

Concerning simplicity [sencillez], we are working every day to end the ostentation in the public sector. There will be no luxury in vehicles or buildings. There will be no unnecessary trips. We will seek simplicity. One of our greatest wishes is to fully restore it and we are determined to achieve this. However, let us not confuse ostentation with decorum or moderation [as heard], or luxury with the dignity demanded by public office. The mistakes and failures of [words indistinct] must not affect our morale. We should only be concerned with tirelessly doing the work needed to reach a desired goal. We should never be afraid of rectifying and starting all over again if necessary.

Simplicity should also be the goal of the private sector. Certain outbursts of ostentation observed in that sector are not in line with our best traditions.

Inasmuch as many of these attitudes -- on the part of Costa Ricans and foreigners -- are backed by ill-conceived laws which were promoted, in some cases, by certain international officials under the pretext of international agreements or similar pacts, the abuses certainly distort the incentives given to them [not further identified] to facilitate their work, converting these advantages into exaggerated privileges for personal gain. I will soon send a bill to the legislative assembly putting an end to these abuses.

We will work tirelessly so that the simplicity of the past, the simplicity of our forefathers, will prevail in all our actions.

Devotion to work is also another crusade begun in these first few days. Costa Rica needs the best from each of us, in the public as well as in the private sector. [Words indistinct] very proud. Producing more and better work will depend on a great national effort. Our services must be of the highest quality. We are involved in an effort unprecedented in our history, the goal of which is to have our public officials' devotion to duty to be fully reflected in their actions. What we must do, we must do well, with happiness and satisfaction. The long lines of citizens at hospitals, banks, post offices, bus stops, and in many other places of service are sometimes signs of the scarcity of resources. However, all too frequently they show an insensitivity on the part of public servants. We have vowed to correct this situation.

Our government action is aimed at [word indistinct] the full meaning of devotion to work. Devotion to duty must be shown in the greatest respect for the users of these services. This is why I have asked all my collaborators in the central government and the decentralized agencies to put the greatest care and attention on substantially improving the public services.

We want to preserve and strengthen Costa Rican patriotism, our sacred inheritance. It includes all possible aspects, which are sometimes hard to define. It includes our love for freedom, the enjoyment of [word indistinct], and democracy, a deeply-rooted desire for peace, a sense of brotherhood, and many other things that unite us and make us different from other people. We must protect our special nature. Threats exist that we must face with realism. It is estimated that approximately 250,000 foreigners live among us. Many of them do not fully share the values of our patriotism, which is so much ours and so dear to us.

War conflicts, intense ideological struggles, and the constant violation of human rights in neighboring countries have forced men, women, and children of those nations to seek refuge among us.

Our laws to admit foreigners and to grant them citizenship were passed foreseeing economic and political situations common to our nations. These laws do not address the massive immigration of families from other countries, seeking peace in Costa Rica. These laws were formulated without considering that thousands of people would be seeking citizenship in a short time.

Ours is a small country, exceptional in many respects, but we must prudently preserve the balance which makes us different. A constitutional amendment is under debate which will make it even more difficult to obtain Costa Rican citizenship. It is an urgent and necessary amendment. However, it will be some time before this bill can be passed. I have asked the authorities in charge to be particularly careful in processing naturalization papers.

I want to talk about what used to be one of our best characteristics: humility. Nothing we do will be good enough unless we do it humbly. We despise arrogance. The legal system that prevails in Costa Rica demands that everyone comply with the law. To apply the laws in the same manner to the weak and powerful is the strength of public officials, who can and should be humble in dealing with the public, always according to the law.

Humility guides the government's actions. During the past 100 days, we have implemented specific actions to awaken and strengthen the principles we believe in and so proudly inherited. We want to deliver to the new generations these enriched principles; and this, we will do. We work daily for these principles. I will accept the temporary failures we have as flaws of my administration. But, I want us to celebrate as a victory of Costa Rica the achievement of what we set out to do.

The challenge we overcame just yesterday was to stop the catastrophe which threatened to destroy all we had achieved during many years of work. The challenge we are facing today is to build a new economy. We plan to correct imbalances and to confront the negative traditions.

There are imbalances in financing our expenses and in our commercial account. We owe a lot of money abroad which we are obligated to pay, and we intend to. We have drafted a new proposal which we will submit to our creditors.

I reiterate here my promise to find a Costa Rican solution for the establishment of a new economy. We are holding talks with public institutions and with representatives of the productive sectors. We have been talking to businessmen and workers. We have to establish a more efficient economy. We should not be just seeking new markets. If we increase and improve our production, we will be improving the living standard of Costa Rican consumers.

Three years from now it will be a century since we established a democratic system. Unfortunately, this is an anniversary that many sister countries of the continent cannot celebrate. What makes us different from other countries? Many things. Tonight, I will only mention one: the survival of small properties. The small farmer and industrialist is the fundamental pillar of our democracy. Let us not think otherwise. The day they vanish, our democratic system will also vanish.

Each day the world becomes more competitive, demanding more efficiency in order to survive. The answer is [words indistinct] obligation to the cooperative. I reiterate once more my desire to help in every way possible so small property owners can organize strong and efficient cooperatives.

In the agricultural field, I have said that the technical aid the state offers should be exclusively for small and medium-size farmers, giving priority to those organized in cooperatives and other types of organizations. For fairer distribution of aid for agriculture, price policy should not be used to hurt producers, but neither should it grant them excessive subsidies by approving prices much higher than the prices in the international market.

Prices should be used as incentive mechanisms to increase production. On the other hand, they should not be a heavy burden for local consumers. We are fighting inflation. The success of this struggle will depend on whether we can improve the standard of living of every Costa Rican. Wages should always be higher than prices. I feel that if we act responsibly, we will achieve our objective and in May 1990 every family in Costa Rica will be in better socio-economic conditions than now.

Our people have proven their will to achieve greater transformations in the country. They did it when they decided to launch the education and health campaign. Today, this will is again expressed with the solution of the housing problem. These first days of my government confirm that we are going to be successful in our efforts.

I also want to speak to you tonight about peace. Costa Rica wants to share its desire for peace with other nations. Costa Rica believes that only democracy can put an end to wars among brothers. The Latin American continent is tired of useless violence. It is tired of groups of both political extremes claiming that they represent the majority. It is tired of seeing small groups of fanatics taking over the liberating struggle of entire nations.

More than ever Latin America needs to work in peace and freedom to generate wealth and fight poverty. More than ever the use of hatred to promote violence negates our Christian upbringing. More than ever we renew our confidence in the possibility that our problems can be solved with freedom.

Peace in Central America is threatened by the Nicaraguan dictatorship, by Somoza's heirs, by those who were afraid of their people's freedom and replaced the old tyrant in order to swear loyalty to the Marxist empire.

All Western European countries bordering on the communist world spend millions of dollars on defense. They form costly military alliances to prevent communist expansion. Costa Rica is the first country without armed forces that borders on the Marxist world. The Costa Rican Government is making the necessary efforts to find a peaceful solution in Central America. We trust the diplomatic efforts will [word indistinct] to return to the Nicaraguan people the fruit of their liberating struggle: democracy.

(?In regard to) the conflicts in the region, Costa Rica applies the strictest neutrality. We do not permit our national territory to be used for military actions. We do not believe in this type of solution, and we have said so to our best friends and allies in the international arena. We have given unequivocal proof of our desire for peace and our willingness to practice our neutrality.

No one should be surprised by our determination to continue this policy. It is the mandate of a democratic and peace-loving people. We maintain the policy of expelling any foreigner who collaborates with war activities. We will also punish, with all the severity of the law, those Costa Ricans who participate, promote, or permit these activities.

These actions in our territory are very dangerous for our peace. In addition, they are a source of corruption that fosters arms trafficking and permits easy connections between this type of trafficking and (?the no-less-dangerous) drug trafficking. Any foreigner linked with armed struggles underway in other countries will lose his political asylum in Costa Rica. Those with these ties will not receive political asylum either. Costa Rica's neutrality must be respected by all nations and all persons.

In May I attended the meeting of Central American presidents in Esquipulas. Later I attend the inauguration in Colombia. On both occasions, as I reported to the press then, when I met with the other presidents I clearly explained my decision and views about the Central American situation.

Costa Rica's position cannot be more clear. We will be neutral, and we will see to it that this neutrality is respected. Only democracy can guarantee an era of peace in Central America and Latin America.

I also emphasized our Latin American spirit, which favors a true democracy for all the nations of the continent. [Words indistinct] Costa Rica will work tirelessly for these objectives. The most sacred mission of your chief of state is to keep Costa Rica out of the war that is approaching Central America. Let none of our children die in wars which are not ours.

Once more Nicaragua has chosen the path of obstructing the Contadora dialogue by accusing us -- for purely propagandistic objectives -- at The Hague International Court. Costa Rica does not shun the courts; we trust in justice. We will go to that court to defend the honor and dignity of Costa Rica, which, in addition, has great support among the democracies of the world.

Costa Ricans, things never before seen are taking place these days. A woman is presiding over our Legislative Assembly. For the first time, a woman served as the acting president of the republic. More than coincidence, these are signs that men and women in Costa Rica will be sharing on an equal basis from now on the administration of the country's destiny.

The laws which discriminate against women will be abolished in this administration. The bill guaranteeing the full equality of women will be approved by this government. Young people have been appointed members of the cabinet. The schools are preparing the changes that will open the doors to new technology.

There are conflicts between workers and bosses, and between producers and consumers. I have called for a special kind of conciliation, in which dialogue is the only solution to the Costa Rican problems, so that we all share in making the necessary sacrifice to solve the nation's crisis and move forward along the path of reconstruction. On this path, there is no room for unlawfulness or violence. I am not going to yield to the selfishness of groups who want more privileges. There are practices we must change and we are going to change them.

As I said many times during the political campaign, and I reiterated in my inaugural speech, we are going to do everything possible on behalf of the poor. I also reiterate my faith in the Costa Rican people [words indistinct]. We have begun the task you gave us. Our duty in the role of government will make our democracy greater.

Thank you. Good night.

EL SALVADOR

GOVERNMENT-REBEL TALKS CONTINUE IN MEXICO CITY

FMLN-FDR Leaders Comment

PA211505 Mexico City XEW Television Service in Spanish 1345 GMT 21 Aug 86

[Report on interview with FMLN-FDR leaders Salvador Samayoa and Jorge Alberto Villacorta in Mexico City by Rita Ganem: date not given -- recorded]

[Text] [Ganem] The third dialogue between Salvadoran guerrilla leaders and government representatives could take place in San Salvador in the near future. However, this will depend on the the agreements reached between the government and rebel representatives currently meeting in Mexico City. FMLN-FDR delegates Salvador Samayoa and Jorge Alberto Villacorta have said that the most difficult point to be discussed will be establishing the security mechanisms for the third dialogue.

[Unidentified FMLN-FDR representative] President Duarte is defending an argument by which he guarantees with his life the security at the meeting; however, we feel that this argument is simplistic, because there are also people interested in harming President Duarte, both politically and physically. Therefore, this is not a solid argument. We would ask for more elaborate security mechanisms, and this could be a problem.

[Ganem] Samayoa and Villacorta added that the conditions for a military truce will have to be established. Regarding an eventual exchange of prisoners, they said that a mutual gesture of goodwill has been proposed, by which the government will release prisoners or missing people in exchange for Colonel Omar Napoleon Avalos, who is currently a prisoner of the guerrillas.

The rebel delegates met with the press at an office located in the Condesa neighborhood. The site of the meeting here in Mexico City has not been disclosed. However, Salvadoran Ambassador to Mexico Sigfrido Moines has admitted that it could be in a hotel in the capital. It has been said that the meeting could last 2 or 3 days and that the results will be made known afterwards.

Samayoa and Villacorta were optimistic about reaching an agreement to facilitate the next meeting. They said that the United States is hampering the pacification process with its direct military intervention. They noted that the Salvadoran civil war has resulted in more than 60,000 dead, and at least 1 million people have been displaced or have become refugees.

Pena on Meeting, Communique

PA212132 San Salvador Radio Cadena YSKL in Spanish 1730 GMT 21 Aug 86

[Telephone interview with FMLN-FDR spokesman Gerardo Pena from Mexico City by correspondent Raul Beltran -- live]

[Text] [Beltran] In this regard, as this document and proposal [referring to an FMLN General Command communique published in the 21 August Latin America DAILY REPORT on page P 11] came after the private preparatory meetings in Mexico City, what is the atmosphere prevailing there? What was the exact time when the talks were resumed today, the 2d day of the dialogue in Mexico City?

[Pena] The meeting began yesterday at 1745 and ended at 2100. It was resumed today at 1100. The meeting took place in a positive atmosphere, and we hope we will reap good results.

[Beltran] Mr Pena, will this communique or proposal be presented to the government or governmental delegation with which the FMLN-FDR, through mediator Msgr Arturo y Damas, will continue to meet there in Mexico City?

[Pena] Yes, the communique clarifies and defines the FMLN's position on the need to release people who have been unjustly detained.

[Beltran] In this case, could we say that should this demand not be satisfied, the release of Colonel Omar Napoleon Avalos could actually be postponed until new agreements between the government and your delegation in Mexico are reached?

[Pena] We believe that this issue must be defined in our negotiations.

[Beltran] According to your perceptions there in Mexico, how much longer do you think your meetings with the government delegates will last?

[Pena] We hope to make as much progress as possible on the agenda in our meeting today. Should we not finish, we will continue tomorrow.

[Beltran] Anything else to add during this direct report from Mexico via the YSKL radio network, in your capacity as an FDR-FMLN delegate? Go ahead.

[Pena] That is all for now, I believe.

Duarte: Lay Down Weapons

PA220251 Panama City ACAN in Spanish 0205 GMT 22 Aug 86

[Excerpts] San Salvador, 21 Aug (ACAN-EFE) -- President Jose Napoleon Duarte today reiterated that "the guerrillas must put down their weapons and join the democratic process, and then we will talk and talk a lot." At an impromptu news conference at the Legislative Assembly today, Duarte said that for the private talks with the guerrillas, he appointed "the most important delegation I could ever have appointed, because even the vice president is a member." [passage omitted]

President Duarte said: "My stand remains the same. It is high time the rebels admitted that they are hurting the people." "I insist," Duarte said, "that it is the time for them (the guerrillas) to join the historic process and continue with this democratic revolution which we are carrying out. This is a revolution that is not easy, that cannot be accomplished in 1 day, because we have to deal with all kinds of problems."

Duarte stressed: "When the guerrillas join the democratic process, at that very moment, we will have much to talk about. We can talk then about amnesty, a truce, and everything they want, but they must define their position." "They must decide if they want peace. They must put down their weapons and join the democratic process. They must respect the country's institutional structure."

Regarding the truce proposed by the guerrillas during the talks, Duarte said: "A climate of dialogue must be created, but I cannot allow them (the rebels) to blow up the national palace or something like that."

"We need to have the right conditions for the dialogue, but without reaching the extreme of endangering or neglecting national security," he added. [passage omitted]

Oqueli on Duarte Stance

PA211818 San Salvador Radio Cadena YSU in Spanish 1730 GMT 21 Aug 86

[Report by SALPRESS reporter from Mexico City -- live or recorded]

[Excerpt] [Passage omitted] As for statements made by President Duarte rejecting the truce proposed by the rebels, FDR's Hector Oqueli said the following in Mexico;

[Begin recording] In that regard, Duarte showed his limitations and the conditions with which he is working on the dialogue and that are being imposed on him; they show that he is a prisoner of the military. [end recording]

The rebel leader added that the fronts are not closed to the possiblity of resuming the dialogue outside San Salvador, but they believe that the capital offers better conditions to ensure security and popular participation during the meeting.

Samayoa: Atmosphere 'Positive'

PA211750 San Salvador Radio Cadena YSU in Spanish 1635 GMT 21 Aug 86

[Francisco Espinoza report; broadcast in progress]

[Text] [Espinoza] ...the Armed Forces cautioned today that, making a goodwill gesture, it has proposed an exchange of prisoners and will take to the negotiating table all the cases that popular organizations and relatives of prisoners have presented to the church. There are 942 such cases. Talks between Salvadoran Government and FMLN-FDR representatives began yesterday in Mexico. The purpose of the talks is to prepare a round of negotiations to be held in El Salvador.

On petitions from the church, the FMLN has agreed to discuss the exchange of Colonel Omar Napoleon Avalos -- who was captured by guerrillas -- for prisoners of the Salvadoran Armed Forces. However, according to reports, the rebels refuse to select 50 persons out of the list of 942. The church has asked them to select 50 persons, but the rebels said publicly today that if they negotiate on this it would be for all the cases.

Salvador Samayoa, who in the company of Jorge Villacorta is meeting in private with the official representatives of El Salvador at an undetermined location in Mexico, has said in this regard and in regard to the meeting that the FMLN-FDR and the government delegation is holding in Mexico prior to the third meeting, that the outlook is favorable. Because of the importance of this matter, we have Salvador Samayoa on a direct line from Mexico. What can you tell us about the meeting with the Salvadoran delegation?

[Samayoa] Yes, the meeting began yesterday at 1745.

[Espinoza] Regarding that meeting, which began late because of the delay of Vice President and Foreign Minister Claramount, do you have any new information?

[Samayoa] I can only tell you a few things. The first is that yesterday we had a working session. It lasted approximately 4 hours. There is a recess now. We will renew the meeting today at 1100. Yesterday the two sides agreed that neither would reveal the contents of the discussions until there is the possibility of reaching an agreement. The atmosphere has been positive.

[Espinoza] Did you discuss anything about the proposed truce?

[Samayoa] No. I believe that the government's delegations has some restrictions about discussing that, as President Duarte said yesterday.

[Espinoza] This means that the same is true in the case of Col Avalos. Did you discuss that subject during the meeting?

[Samayoa] That subject would be discussed outside of the meeting, if it is discussed. Yesterday we had only an initial working session. We have not yet discussed all the subjects of the meeting.

[Espinoza] Could we conclude that the meeting has been favorable for the two sides?

[Samayoa] I believe that so far the atmosphere has been positive. I could not say whether a general agreement will be possible; but the atmosphere is positive at this moment.

[Espinoza] How long do you think these talks will continue?

[Samayoa] It is probable that the talks will conclude tomorrow, 22 August.

[Espinoza] Would you file a report tomorrow, or will secrecy continue?

[Samayoa] No, we would keep no secrets. At the end of the meeting we would have to report to the people whether an agreement had been reached or not. We would inform the media also, of course.

[Espinoza] This was Salvador Samayoa speaking about the meeting that the government and the guerrillas are holding at an undetermined location in Mexico. According to the guerrilla's representative, the meeting will begin in exactly 1 hour and tomorrow afternoon there may be an announcement on the site and date for the third meeting proposed by President Jose Napoleon Duarte.

Blandon on Dialogue, Prisoners

PA212118 San Salvador Radio Cadena YSKL in Spanish 1730 GMT 21 Aug 86

[Text] This is our report on General Adolfo Onecifero Blandon, chairman of the joint chiefs of staff, who has commented on the preliminary talks in Mexico. In addition, he has given extensive details on the removal of 36 families in the area of Sacatecoluca. Gen Blandon said that these families have been transferred elsewhere for security reasons.

Here is an excerpt of the interview:

[Begin recording in progress] [Reporter] ...regarding Colonel Omar Napoleon Avalos. What can you tell us about that?

[Blandon] There is a commission, chaired by General Rinaldo Golcher and including other chiefs, which conducts a daily review of the background and new material regarding Col Avalos. Still, at present, I could not give any exact information on the procedure, because I do not think it is appropriate. That is up to the commission chaired by Gen Golcher.

[Reporter] [Words indistinct] policy, general, that is, to make the exchange, in other words, to release the (?prisoners). There are an estimated 900 political prisoners they are asking for.

[Blandon] I do not know the exact number of political prisoners they are asking for. At any rate, no matter what the number, we must properly review the situation in order to give an appropriate response.

[Reporter] General, how does the top command view the meeting in Mexico? There were (?rumors) that President Duarte had ruled out the possibility of a truce during the third round of talks.

[Blandon] I do not know the specific topics under discussion in Mexico. I would not like to venture an opinion that may prove detrimental to the meeting. Therefore, I do not have specific information. I could not...[changes thought] I decline to comment on the [word indistinct].

[Reporter] Regarding the third round of talks, the rebels have proposed a cease-fire. As Armed Forces chief, or rather the chairman of the Joint Chiefs of Staff, would you be prepared to do likewise?

[Blandon] The president of the Republic is handling the matter of the topics to be discussed during the third round of tlaks. Therefore, he will make the more important decisions. Keep in mind that we are his subordinates; he is the commander in chief of the Armed Forces, and he decides national policies.

[Reporter] As a knowledgeable person, would you be able to accept the cease-fire?

[Blandon] Knowledgeable about what?

[Reporter] In other words, general, in the past, in December to be specific, the government accepted the church's request for a cease-fire. Then some military chiefs said there was no cease-fire and that they were totally unaware of that agreement. One gets the impression that the military chiefs have the final decision on whether or not there is a cease-fire.

[Blandon] We have a constitutional duty, which is security. When dealing with this, political and military aspects become involved. We cannot neglect our mission, that is, the security of the country. In that case, [words indistinct].

[Reporter] Regarding the "United To Rebuild Plan," that has been announced for the past 3 months, to date we do not know whether or not it has been implemented, or if has not been implemented due to a lack of support. Has it had support?

[Blandon] We do have support for it. The drafting of some government documents has been delayed, but we have been working on it. We have inaugurated and concluded three seminars at the national level. In these seminars, promoters from various government projects receive instructions as to how they are to handle the campaign. I understand that the president will shortly announce the start of three major projects in the country. He wants to start the campaign personally. [end recording]

General Blandon also urged all private enterprise representatives not to politicize the "United To Rebuild Plan." He said: I want to motivate private businessmen. We need to be united now in order to achieve peace in our country.

DUARTE DENIES CONTRAS TO TRAIN IN EL SALVADOR

PA220029 Paris AFP in Spanish 2217 GMT 21 Aug 86

[Text] San Salvador, 21 Aug (AFP) -- President Napoleon Duarte denied today that U.S. soldiers will train Nicaraguan rebels here in October, as reported today by U.S. officials.

When consulted by AFP, Duarte said: "I do not know anything about it, and if such is the case it is not true. It is speculation."

According to reports from Washington, Green Berets from the U.S. Army will train the counterrevolutionaries in El Salvador, Honduras, and Panama as part of the military aid of $100 million approved by U.S. Congress.

Meanwhile, President Duarte went to the Legislative Assembly at noon today to ask permission to travel to the United States, where, he said, he will try "to make the U.S. Government and congressmen understand that we are not fighting only for El Salvador, but for democracy in Latin America." Duarte said that the United States is discussing a new budget, which calls for a 30-percent reduction in foreign aid.

This means, he added, "$150 million less in aid for El Salvador, which would put us in a very difficult situation, even just to get by." In Duarte's opinion if the U.S. budget is cut, "it will mean that foreign military aid will end in 3 years."

Duarte emphasized that El Salvador's foreign policy should be more aggressive, and it should be carried out within the framework of the war, "because an international defeat could cause instability in the country." Duarte's trip to the United States and Central American countries was criticized by the Salvadoran Legislative Assembly, to the extent that the congressmen of the rightist Nationalist Republican Alliance, ARENA, left the room.

Also today, Duarte handed labor leader Rodolfo Prieto, who was arrested on Wednesday by the police, over to his family.

Prieto, secretary general of the National Administration of Waterworks and Sewers, ANDA, was arrested for alleged links with the guerrillas but was released today by Duarte at the Government House when he was proven innocent.

GUATEMALA

U.S. 'INTERVENTION' REJECTED IN ANTIDRUG WAR

PA211430 Guatemala City Cadena de Emisoras Unidas in Spanish 0050 GMT 21 Aug 86

[Text] The government minister has said at a news conference that the Guatemalan Government will not permit U.S. military intervention in Guatemalan territory, nor that of any other country, in actions against drug trafficking or marijuana and poppy propagation. He said that the government has taken measures to prevent drug trafficking and to fight it with the resources it has, which have so far been sufficient. Under no circumstances will it permit the presence of foreign military forces to destroy plantations with paraquat, as was done in Bolivia.

HONDURAS

AZCONA DEFENDS CABINET, ADMINISTRATION EFFORTS

PA201505 Tegucigalpa Voz de Honduras Network in Spanish 1543 GMT 19 Aug 86

[Statement by President Jose Azcona Hoyo; date and place not given -- recorded, broadcast in progress]

[Excerpts] ...the debate over the government situation, the Honduran political situation, and I share many of the criteria expressed there. However, more than a few inaccurate statements have been made as well. For example, there have been comments on and there is still insistence on changes in the Cabinet. We have repeatedly said that the government's cabinet is working, and it has not been determined yet whether there were errors in the actions taken by several ministers. If we have not accomplished more, it is because -- honestly -- it is not easy to accomplish more in an economic situation like the one Honduras is enduring. I am not referring to the situation Honduras has had in the past 7 months of Jose Azcona's government, but to the situation Honduras has been enduring for a long time.

For example, this year we expected an extraordinary year due to the coffee prices. However, coffee prices began to decline in March, and this forced us to make important adjustments in the economy. Someone, the last person who talked [not further identified], mentioned devaluation. Gentlemen, in Novemeber 1985 the lempira was at 2.80 per dollar. This has been reduced, that is, there has not been a devaluation during this government.

To the charge that there have been no efforts in economic and unemployment matters, I say extraordinary efforts have been made. However, in order to resolve those problems, many millions are required, and it is not easy to resolve them with only a few million. What is happening, and we will say it clearly, is that this government lacks a public relations office. We do not have one, we cannot have one, and we will not have one. We will face this situation without public relations because we do not have money for it. This is the truth, and we will say it clearly. This means neither that we are against the media nor are against the journalists. On the contrary, we are aware of the role they play. However, unfortunately, we cannot allocate important resources in order to have a favorable press. It is very important to mention this. [passage omitted]

Regarding education, for the first time in Honduras more than 1,200 elementary school teachers have been hired. However, are we going to resolve in just 1 year the problem of elementary education? Impossible, because 4,000 teachers would be required. We plan to hire another 1,200 elementary education teachers next year.

We will continue to promote labor. For example, no one has mentioned that 6,000 laborers have been hired by the Public Works and Transport Secretariat. Of course, some have said there are not any plans. The Honduran economy -- let's not deceive ourselves, and economists should agree with us -- is a weak and totally open economy. A decline in the price of coffee would be enough for everything to become unstable here, or an increase in the price of oil -- God willing it will not continue to increase -- would also be sufficient for everything to be shaky here.

We have El Mochito [mine] problem. This is not a labor problem, it is not a problem of the company. The problem is that silver is now at $5.00 or $5.10 an ounce, whereas it was up to $40 in the past. Zinc is $.18 a pound, and so forth. We have an open economy. We have to resolve our problems day by day, and the government is indeed resolving them. I am aware that this will serve as criticism. Some people say the president of the Republic should not communicate on the telephones [refers to his practice of telephoning radio stations to voice his views or criticism]. Let me tell you something -- and I am addressing this to all Hondurans -- the day when President Jose Azcona cannot call on the telephone or cannot face the Honduran people is the day I will present my irrevocable resignation to the National Congress.

So far I believe that I have fulfilled my duty. The officials of my government are fulfilling their duty. Any official who deviates from the established path of honesty and work will be separated irrevocably from his post, as several already have been. Any others who fail to do their duty will also be separated. However, it is important for the labor and the peasant sectors to have faith, not in the government of Jose Azcona, because this is very transitory, but in democracy and in Honduras.

There should no longer be any editorials like those that have appeared in some newspapers; editorials which at times are almost subversive, as if this government supports only the employers, while others say the employers are not pulling their weight because the rules of the game have not been clearly defined.

Gentlemen, there has been much hubbub over something that is not true. The government is working. People talk about the best men; the best men are not just those who have one or another title. The best men are those who love Honduras, those who want to work for Honduras, and those who respect their chief, the president of the Republic. In this aspect, I have no complaints about any of the ministers in my Cabinet. Apart from that, I accept criticism, and I do not mind it, but it should be well-founded criticism. No one can objectively say so far that this or that minister has made this error or that error. All errors people say have been made are explainable. [passage omitted]

LOPEZ: NATIONAL EMERGENCY DECREE POSSIBLE

PA220042 Paris AFP in Spanish 2341 GMT 21 Aug 86

[Text] Tegucigalpa, 21 Aug (AFP) -- The Honduran Government might decree a state of national emergency due to the labor conflicts threatening to paralyze several state services, Foreign Minister Carlos Lopez Contreras said today.

More than 20 unions which operate the main state services, affiliated to the United Federation of Honduran Workers (FUTH), began partial strikes early this week to protest the dismissal of more than 100 officials from the National Agrarian Institute (INA).

Although Lopez did not offer details about the measure, which might be agreed upon tomorrow by the National Security Council, it is felt that the declaration of a state of emergency would allow the government to militarize the institutions affected by the strikes, such as water, electricity, social services, and others.

The INA labor union members and the FUTH leaders have revealed that the government intends to disrupt labor communications, and Christian Democratic Deputy Efrain Diaz Arrivillaga accused the government of being unable to solve the labor conflict, which was prompted by the reorganization of the INA.

The National Security Council, headed by President Jose Azcona, met today to analyze the suit which Nicaragua has filed against Honduras at the International Court of Justice for permitting contra operations in Honduran territory.

However, the council might meet again tomorrow to decree the state of emergency as a result of the labor strikes, Lopez warned.

Planned Decree Denied

PA220232 Panama City ACAN in Spanish 0130 GMT 22 Aug 86

[Text] Tegucigalpa, 21 Aug (ACAN-EFE) -- Honduran President Jose Azcona Hoyo denied this afternoon that a state of emergency will be decreed in the country to avoid a social crisis. The first reports were issued this morning by low-level officials in the Labor and Social Welfare and the Government and Justice Ministries.

Javier Moncada Amador, leader of the Liberal Party bloc in congress, stated this afternoon: "President Azcona is calm and working in his office as usual, and he has told me that in no way will he decree a state of emergency here." The government is currently facing a wave of labor strikes by 26 unions, which are demanding labor protection and respect for their achievements in the sector.

Some 24 unions comprise the leftist United Federation of Honduran Workers (FUTH) and have progressively declared strikes since last Tuesday, in solidarity with the National Agrarian Institute labor union members, who have been on strike for the last 2 weeks. A strike has also been decreed by the workers at El Monchito mine, in western Santa Barbara Department, who are demanding that the U.S. Rosario Resources Company respect their achievements.

Official spokesmen have announced the possibility that a state of emergency might be decreed, adding that the executive branch would be in charge of this measure, even though the Constitution states that only the Congress may do that. Furthermore, the legislative branch's agenda for this week does not include this topic.

The National Security Council, which is comprised of top-ranking military officers and civilian leaders, met today, and the topic was unofficially discussed with the intention of analyzing the situation which has been created by low-level officials -- who have issued statements without a legal or official authorization.

Foreign Minister Carlos Lopez Contreras has revealed that the National Security Council will meet again tomorrow to officially discuss the rumors about a state of emergency and their possible sources, intentions, and consequences.

FOREIGN MINISTER ON NICARAGUAN SUIT AT ICJ

PA211605 San Pedro Sula TIEMPO in Spanish 20 Aug 86 p 5

[Text] Tegucigalpa -- Foreign Minister Carlos Lopez Contreras said yesterday that the Honduran Government "is making the necessary consultations to act in the wisest way" regarding the suit filed by Nicaragua at the International Court of Justice [ICJ].

Regarding the suit filed by Nicaragua at the end of July, claiming that the U.S.-supported war is being waged from Honduras, the foreign minister said: "This is a heavy blow to Contadora and the Central American parliament."

"It is very hard to understand a government that wants to participate in fraternal meetings of cooperation in search of solutions and at the same time demonstrates that it is not a valid interlocutor because it has resorted to an international court to resolve alleged grievances," he added.

Regarding the countersuit that will reportedly be filed by Honduras at the ICJ, Lopez Contreras said that it is under study, because "it is a very delicate case, and the necessary consultations are being undertaken to act in the wisest way."

He stressed that the Honduran Government "has always been very willing to prevent border incidents from taking on such a magnitude as to make war imminent in Central America."

NEW ENVOY TO NICARAGUA VIEWS RELATIONS

PA201527 Tegucigalpa Voz de Honduras Network in Spanish 1820 GMT 19 Aug 86

[Interview with Colonel Efrain Lisandro Gonzalez, new ambassador to Nicaragua, by Francisco Giron on 19 August; place not given -- recorded; broadcast in progress]

[Text] [Giron] Did you discuss issues regarding the problems in Nicaragua and the objectives to be achieved in the Nicaraguan region?

[Gonzalez] We discussed the relationship between Honduras and Nicaragua. I will try to make the various aspects of relations between Honduras and Nicaragua develop in a diplomatic sphere of mutual respect and dialogue. I will also try to discuss and analyze our common affairs seriously and respectfully.

[Giron] You were first named ambassador to Guatemala. Why the change?

[Gonzalez] One of your colleagues asked me that this morning. The change did not take place suddenly. Its announcement to the public seems to have been sudden, but I analyzed the change for a little over 1 month. The government, the president, the foreign minister, and the commander in chief of the Armed Forces feel that I can serve the country better in Nicaragua than Guatemala. This does not undermine the importance of our embassy in Guatemala, which is quite important, as we all know. However, the government feels that I will be more useful in Nicaragua, and I agree. I am very much in accord and feel very honored that the government delegated that responsibility to me, and I hope to fulfill my duties by putting forth the best of my ability and goodwill.

[Giron] Can it be said, then, that by naming a new ambassador there will be an improvement, and can we speak of a new era in relations between the two countries?

[Gonzalez] You know that the relations between two countries do not change from 1 day to the next. It is the Honduran Government's manifest intention to improve our relations with Nicaragua, a country with which we have a few differences that are well known to everyone. It is the Honduran Government's intention and desire to improve these relations so that the problems and issues we disagree on can be channelled through more peaceful paths.

[Giron] [Question indistinct]

[Gonzalez] The policy that should be followed is the same as in any diplomatic mission; good relations and contacts should be maintained with all sectors in the mission's country. There should be a friendly working relationship and cordial respect toward all the Nicaraguan authorities we may have to deal with and also with the Nicaraguan people. The mission represents the Honduran Government and people before the Nicaraguan Government and people.

[Giron] Within the Armed Forces you are considered a very moderate man. Did this (?influence) the military institution [words indistinct] to normalize Honduran-Nicaraguan diplomatic relations?

[Gonzalez] Relations between two countries do not depend only on an ambassador's efforts. Relations are the consequence of both contries' interests that each of the countries seek by ensuring their people's cooperation and well-being. I definitely feel that an ambassador can contribute a great deal to make these relations more favorable.

CONTRAS ALLEGEDLY COMPILE HONDURAN 'HIT LIST'

PA211234 Paris AFP in Spanish 2248 GMT 20 Aug 86

[Text] Tegucigalpa, 20 Aug (AFP) -- Today Jorge Arturo Reina, former rector of the National University and leader of the ruling Liberal Party, reported that armed gangs linked to the Nicaraguan contras are threatening Honduran politicians and leaders who oppose the presence of anti-Sandinists in Honduras and have already disclosed a "hit list."

Reina told the international media that this armed gang has published the mimeographed "hit list", which has no signatures, and has delivered the list to private right-wing groups to encourage attacks against the critics of the Honduran support policy to the contras.

Reina, highest leader of the nonofficialist movement of the ruling Liberal Party, said that his name and the names of other leaders of diverse political tendencies -- whose common denominator is their opposition to the contras -- are also included on the list.

Victor Meza, university professor and human rights researcher, who has also been threatened, said that several of the persons included on the list met last week to discuss the situation. The "hit list" mentions more than a dozen personalities, among them two deputies, one former minister, a well-known columnist, leaders of the National Autonomous University, left-wing union leaders, and members of the Communist Party, said Meza.

Furthermore, Reina warned that this situation may erupt into violent actions and bloodshed that would weaken the democratic process. Reina reiterated that the activities by the contras and the CIA "are leading us into a war with Nicaragua."

Major Jorge Arguello, director of public relations of the Armed Forces, stated that his office has no knowledge of the existence of the list.

NICARAGUA

NOTE PROTESTS REAGAN STATEMENTS TO EXCELSIOR

PA211524 Managua Domestic Service in Spanish 1200 GMT 21 Aug 86

[Text] A note of protest sent last night to U.S. Secretary of State George Shultz by Acting Foreign Minister Jose Leon Talavera states that the U.S. policy of prolonging the current situation will inevitably lead to a U.S. military invasion of Nicaragua. The Nicaraguan protest is in response to the threatening statements U.S. President Ronald Reagan made to the Mexican newspaper EXCELSIOR. The note points out that President Reagan admitted publicly that the true objective of his policy is to topple the Nicaraguan Government through the use of the mercenary groups organized, armed, and directed by the U.S. Government.

U.S. PLANS FOR TRAINING CONTRAS OUTLINED

PA211939 Managua Domestic Service in Spanish 1810 GMT 21 Aug 86

[Text] Washington -- U.S. soldiers will begin training Somozist troops in Honduras -- and perhaps in El Salvador and Panama -- as soon as possible, according to government and congressional sources. The Green Berets will be in charge of the training. These units are stationed in Fort Bragg, North Carolina, and Panama. They are specialized in training armed forces of third countries in guerrilla tactics or counterinsurgency methods. The Green Berets are part of the U.S. Armed Forces' so-called special operation units. They are specialized in nonconventional and psychological warfare.

In addition to the training, the U.S. military advisers will help the contras in establishing a logistical apparatus that will enable them to conduct large-scale military operations deep inside the Nicaraguan territory and at the same time guarantee their supplies from abroad. The U.S. officials said that the administration is contemplating the possibility of purchasing or leasing C-46, C-47, or C-123 planes.

Although the Pentagon will be responsible for the training to a large extent, the CIA will be in control of the whole operation, according to U.S. Government officials.

HONDURAN ENVOY PRESENTS CREDENTIALS, MEETS PRESS

PA211945 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 21 Aug 86

[Text] The topic of relations between Honduras and Nicaragua was addressed this afternoon by President Daniel Ortega and Colonel Efrain Lisandro Gonzalez Munoz, Honduran ambassador to Nicaragua, who presented his credentials.

Col Gonzalez Munoz has been inspector general of the Honduran Armed Forces Command. After presenting his credentials and reviewing the honor guard, he was interviewed by journalists.

[Begin Gonzalez Munoz recording] I wish to state that there is a desire and willingness to resolve the problems that exist between our two countries effectively based on mutual respect. [end recording]

The new ambassador reiterated his government's position that it will not expend resources to control its borders. International news media and the Nicaraguan Government have reported the presence of counterrevolutionary camps in Honduras. Journalists also asked him about Contadora:

[Begin Gonzalez Munoz recording] We understand that the proposals made by Honduras and other governments of the region are already on the negotiating table. When a satisfactory collective agreement is reached, my government will be signing the treaty. [end recording]

Hungarian Ambassador Istvan Soos also presented his credentials this afternoon and expressed his country's support for the Contadora and Support Group's efforts.

[Begin Soos recording] I can assure you that the Hungarian Government is closely following the events and gives its full support to the Contadora and Support Groups. [end recording]

Ambassador Soos said he will work to improve ties with Nicaragua, especially agricultural matters, in which his country has vast experience.

BRIEFS

LIBYAN PROJECT -- The Nicaraguan-Libyan Arab Agricultural Enterprise, (Alinic), has sowed 3,500 manzanas of beans, 1,500 of corn, and 1,100 of sorghum in the San Ramon project of Midindra [Ministry of Agricultural-Livestock Development and Agrarian Reform], said Hector Lizarraga, director of the enterprise. Lizarraga said 50 percent of this project has been financed by the Libyan Government and has a cost of $2,000 per manzana, which includes the machinery, irrigation, sowing, and construction of roads. So far 1,500 quintals of corn have been harvested, with an approximate yield of 75 quintals per manzana. [Summary] [Managua Radio Sandino in Spanish 1200 GMT 12 Aug 86 PA]

COMMENTS ON RECENT U.S. STANCES, ACTIONS

Reagan Rejects Moratorium

PA211423 Havana International Service in Spanish 0000 GMT 21 Aug 86

["Viewpoint" commentary, read by Angel Hernandez]

[Text] With the sense of responsibility characteristic of the first worker-peasant state in history, top Soviet leader Mikhail Gorbachev stated a few hours ago in Moscow that the USSR will extend to 1 January 1987 the unilateral moratorium on nuclear tests that it has enforced since 6 August 1985. This decision fully concurs with the world's hopes. With justified alarm pepole throughout the world witness the increase of atomic arsenals to the point that a superpower stocks enough weapons to destroy the world several times over.

Washington's hasty reply is completely contrary to worldwide hopes. White House spokesman Larry Speakes once again revealed the U.S. hegemonistic aspirations, when he said that Washington rejects the suspension of nuclear tests because it would curb the possibilities of creating new weapons. This is the barefaced reply of someone who lacks any sound, logical argument to face an overwhelming truth. U.S. rejections have a long history. When on 6 August 1985 the USSR started the unilateral moratorium, Washington believed it was a demagogic maneuver, because it was impossible to verify nuclear tests.

The USSR offered on site verifications, and Reagan was once again disarmed. This fallacy was confirmed a few hours ago when Gorbachev announced that since 6 August 1985 until the present time, the United States has conducted 18 nuclear tests, 3 of which were not announced publicly, but were nevertheless detected by modern technical means. All this speaks in favor of complete verification of nuclear tests.

Now the Yankees claim the need to strengthen national defense. It is the old story of the big bad wolf who wants to eat the weak U.S. lamb. However, we might ask what hidden and threatening potential can be held by a country who hasn't detonated a nuclear weapon in over two years, while the alleged victim has conducted more than two dozen tests.

Reagan doesn't have the least excuse to justify his reticence. Probably by now he is not very interested in presenting himself to the world as an alleged standardbearer of peace. Washington is cornered, and its outbursts of impotence and insanity lead it to such political outrages as announcing its intention of violating SALT II treaties.

All countries, even those allied with Washington, reject such dictates, and many Western rulers view with growing concern how the United States is treading a path that will inevitably lead to confrontation and violence.

Objectives in Nicaragua

PA211451 Havana International Service in Spanish 2300 GMT 20 Aug 86

[Text] U.S. President Ronald Reagan has admitted that his objective in Nicaragua is to remove the Sandinist government from power. In statements to Mexican newspaper EXCELSIOR, Reagan said that a takeover by counterrevolutionaries, whom he called freedom fighters, is the only option left for that Central American country. The statements to the Mexican newspaper totally contradict his previous statements that he is only exerting pressure on the revolutionary government to establish negotiations with the Somozists.

Contra Aid 'Opens the Door'

PA211736 Havana International Service in Spanish 2300 GMT 20 Aug 86

["Our America" commentary]

[Text] In addition to constituting a war declaration, the U.S. Congress' decision to grant aid requested by President Reagan for the Nicaraguan counterrevolutionaries opens the door widely for the CIA to channel uncontrolled funds for the rebels.

So far, the mercenaries have received more than $130 million to carry out their banditry in addition to other millions given to them by U.S. and European rightist organizations.

According to British newspaper GUARDIAN, the CIA is now planning to give resources valued at $150 million to the rebels in addition to the $100 million recently approved by Congress. The $150 million will flow through financial channels identical to those previously used by the CIA to supply the counterrevolutionaries with helicopters, trucks, and arms although there are official prohibitions on the spending of government funds for those purposes. This also shows that the CIA, as well as the Pentagon, will continue to lead counterrevolutionary operations independently of the aid granted by the U.S. Congress.

In 1984, when military aid was temporarily suspended, counterrevolutionary leader Adolfo Calero said that the flow of advisers, weapons, and financing would not be cut off, because the United States could channel them through third countries. The facts showed that Calero knows his partner very well, because territories in Honduras and Costa Rica have gradually become permanent bases for attacks against Nicaragua. Mercenary camps receiving all the aid given by the United States, specifically by the CIA, are headquartered in those nations.

We must note that the Pentagon has invested more than $5 million to establish two bases in Palmerola, Honduras. It plans to invest an additional $20 million to build new roads, military installations, and airports. Two landing strips are also being built in the Honduran Mosquitia area to supply counterrevolutionary forces via air.

If there were not evidence of this, it would seem incredible that a country like the United States, which is on the verge of an economic recession, with approximately 9 million unemployed, and an infinite number of domestic problems, would embark on such an irresponsible and dangerous venture.

CONTRA AID NOT TO PASS THROUGH HONDURAS

PA211509 Havana International Service in Spanish 0000 GMT 21 Aug 86

[Text] Honduran Foreign Minister Carlos Lopez Contreras has said that his government will not permit the use of Honduran territory for the distribution of the U.S. aid for the Nicaraguan counterrevolutionary bands. Tegucigalpa newspapers published Lopez Contreras' remarks, which several political analysts described as surprising due to the Honduran Government's open complicity with the U.S. warmongering policy in the Central American region.

SALVADORAN REBELS, GOVERNMENT MEETING IN MEXICO

PA211646 Havana International Service in Spanish 0000 GMT 21 Aug 86

[Report by Norberto Hernandez]

[Text] Leaders of the Salvadoran FMLN-FDR and government representatives are meeting in Mexico City to establish the date, place, and agenda of their third round of talks.

According to an insurgent communique published in San Salvador, the rebel fronts said they are attending the preliminary meeting with a constructive spirit and the desire to achieve a favorable situation for the dialogue.

Salvador Samayoa and Jorge Villacorta represent the guerrillas in these talks; the government is represented by Rodolfo Castillo Claramount, vice president and foreign minister, Julio Adolfo Rey Prendes, communications minister and close friend of President Duarte, and Ricardo Soriano, a trade union leader who the insurgents describe as corrupt and pro-North American.

The talks had been suspended since November 1984. Since that time the Duarte government has tried to defeat the guerrilla forces, without success. To achieve this objective, the authorities and the Armed Forces, with the support of their U.S. allies, have carried out intense counterinsurgency operations with massive bombings and permanent attacks and dislodging of civilians in the strife-torn areas. Since November 1984, the guerrillas have insisted on the continuation of the dialogue and since President Duarte publicly announced his decision to continue it, the rebels said that the participation of the various sectors of Salvadoran society is essential to achieve a negotiated peace.

The preliminary meeting for the talks has created great expectations throughout Latin America because of the importance of finding a solution to such a grave problem. Meanwhile, the Salvadoran guerrillas have announced that they will propose a military truce during the third round of the dialogue in an effort to promote the most adequate conditions for the meeting.

NONALIGNED SUMMIT: GUANTANAMO BASE AT ISSUE

FL211755 Havana Radio Periodico del Aire in Spanish 1600 GMT 21 Aug 86

[Text] Harare -- The nonaligned countries summit will intensify the demand to dismantle foreign military bases in Latin America and will emphasize the case of the Guantanamo naval base.

This proposal is included in the draft of the final declaration which will be discussed by the heads of state and government in Harare, Zimbabwe, beginning 2 September.

In addition to reiterating the demand that the United States return the naval base to Cuba, the document condemns the presence of foreign military bases and troops in the area.

VIERA LINARES MEETS PANAMANIAN AMBASSADOR

FL211856 Havana Radio Periodico del Aire in Spanish 1600 GMT 21 Aug 86

[Text] Acting Foreign Minister Jose Raul Viera Linares has met in Havana City with Panamanian Ambassador Manuel (Orestes Nieto de Icaza).

During the meeting, the ambassador presented Viera Linares with the book "Panama -- 16 Years of Struggle Against Drug Trafficking," a documentary published by the Panamanian Government on communications between Panamanian and U.S. authorities on the suppression of drug trafficking.

VALDEZ MARKS CUBAN-ANGOLAN RELATIONS

FL211132 Havana Radio Progreso Network in Spanish 1100 GMT 21 Aug 86

[Text] Jorge Risquet Valdez, Politburo member and party Central Committee secretary, has attended a ceremony marking the 10th anniversary of the establishment of economic relations between Cuba and Angola. The event was held at the Angolan House of Culture in Havana.

Manuel Gutierrez, first vice president of the state committee for economic cooperation, spoke at the ceremony. He said that during these 10 years of Cuban-Angolan economic cooperation, fraternal ties have strengthened and foundations have been laid for increased ties.

CONSTRUCTION OF CIENFUEGOS NUCLEAR POWER PLANT

FL212130 Havana Radio Reloj Network in Spanish 1802 GMT 21 Aug 86

[Text] Party Politburo member Pedro Miret Prieto has chaired a meeting held in Cienfuegos to assess the progress made in the construction of that city's nuclear power plant.

During the meeting, the participants discussed problems which have caused delays in the installation of the reactors, as well as the state of construction and other activities in a special building adjacent to the power plant.

Other aspects such as breakage of some equipment needed in the completion of Cuba's project of the century, the need for a greater number of designers, and amount of supplies were also discussed.

The Soviet specialists said it is necessary to begin training the personnel required for assembling the plant.

CECE MINISTER ON INTERNATIONALISTS ACTIVITY

FL212359 Havana Radio Rebelde Network in Spanish 2300 GMT 21 Aug 86

[text] More than 150,000 Cubans have lent their services as internationalists in 45 countries in Africa, Asia, and Latin America, Ernesto Melendez, minister President of the state Committed for Economic Cooperation [CECE], has reported.

The CECE minister also indicated that nearly 20,000 youths from about 100 nations are attending classes in Cuban schools. Melendez announced that the 3d meeting of Economic, Scientific, and Technical Cooperation will be held in Havana next November.

J A M A I C A

PNP'S PATTERSON SAYS PAYMENTS TO IMF IN ARREARS

FL212036 Bridgetown CANA in English 2020 GMT 21 Aug 86

[Text] Kingston, Aug 21, CANA -- Jamaica's current programme with the International Monetary Fund (IMF) has gone off rails and the government is now seeking to negotiate a new stand-by agreement with the fund, Opposition Peoples National Party (PNP) Chairman Percival Patterson has charged.

Patterson told reporters last night that Jamaica had been in arrears in its payments to the fund since April. He said that before the IMF would seriously negotiate a new package, it wanted the government to give a definitive response to the so-called Fresh Look Mission Report, recommending continued austerity by the government.

Top Central Bank officials were unavailable for comment on Patterson's charge. The government is normally slow in disclosing information on problems or negotiations with the fund.

Prime Minister Edward Seaga had invited the mission from the IMF, the World Bank, and U.S. Agency for International Development (USAID) to assess the economy, hoping that they would be convinced it was time for reflation after three years of austerity and contraction. But, the mission suggested more belt-tightening, and particularly perturbed the government with a suggestion that there be further devaluations in the local currency and the chopping of more public sector jobs.

Seaga, who has devalued the Jamaica dollar from j1.78 for one U.S. to current j5.50 for one and presided over the chopping of at least 10,000 public sector jobs, rejected the recommendations in his May budget. Instead, he presented an expansionary package and declared that he had contingency plans should the agencies -- Jamaica's major aid backers -- insist that the government implement more austerity.

My understanding is that there is not presently any agreement between the government and the IMF, and that the government is in arrears in respect of some if its payments to the IMF, Patterson told reporters last night.

The government hopes to conclude a new stand-by programme, but the institutions are awaiting a definitive response to the Fresh Look Mission, he added. Jamaica is a little over half-way through a 22-month agreement with the IMF for U.S. 15 million dollars. An estimated U.S. 70 million dollars is still undrawn in that package. Patterson said the government was unable to make drawdowns because of the impasse.

Jamaica needs an IMF agreement if it is to get further renegotiation on some of its U.S. 3.3 billion dollar foreign debt.

The fund had in March granted the government a waiver to continue the current programme, after the failure of its first quarterly test last September. Seaga's first agreement with the IMF for U.S. 50 million dollars, signed in 1981, was thrown out by the fund in 1983 when both sides could not agree on whether the government has passed or failed a performance test.

TRINIDAD

POLICE CHIEF TO STAND TRIAL ON DRUG CHARGES

FL211258 Bonaire Trans World Radio in English 1130 GMT 21 Aug 86

[Text] A Trinidadian magistrate has ruled that suspended Police Chief Randolph (Burroughs) must stand trial on two drug-related charges following 2 weeks of preliminary hearings. The charges stem from a government investigation into corruption and drug trafficking.